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OF THE LAND OFFICE

IN RESPONSE TO A RESOLUTION

PASSED BY THE HOUSE OF REPRESENTATIVES

AT THE ANNUAL SESSION

OF THE LEGISLATURE

IN THE YEAR 1871

REPORTS OF COMMITTEES

OF THE

HOUSE OF REPRESENTATIVES,

MADE DURING THE

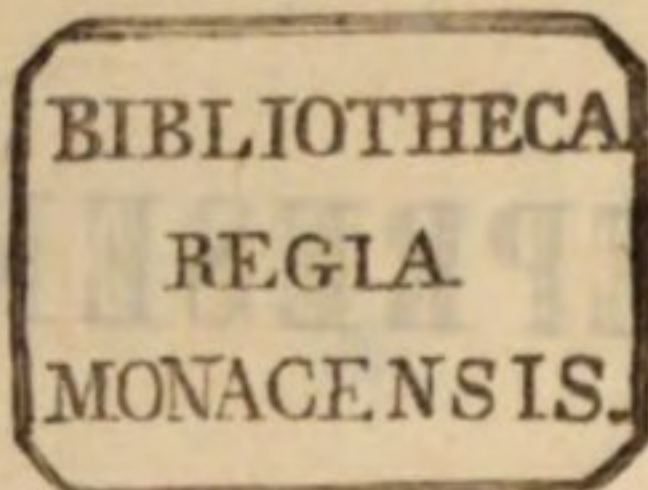
SECOND SESSION OF THE THIRTY-SEVENTH CONGRESS.

1861-'62.

PRINTED BY ORDER OF THE HOUSE OF REPRESENTATIVES.

IN FOUR VOLUMES.

WASHINGTON:
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1862.



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OF
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THIRTY-SEVENTH CONGRESS, SECOND SESSION, 1861-'62.

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FLOATS FOR LANDS SOLD BY THE UNITED STATES IN THE
LAS ORMIGAS AND LA NANA GRANTS, IN LOUISIANA.

[To accompany bill H. R. No. 114]

DECEMBER 12, 1861.—Ordered to be printed.

MR. SAMUEL S. BLAIR, from the Committee on Private Land Claims,
made the following

REPORT.

The Committee on Private Land Claims, to whom was referred the bill authorizing floats to issue in satisfaction of claims against the United States for lands sold by them within the Las Ormigas and La Nana grants, in the State of Louisiana, respectfully report :

That, from an examination of the facts in the case, it appears that these two grants were made by Spain prior to the treaty of 1803, under which Louisiana was acquired.

That both were made as vacheries or stock ranges. That immediate possession was taken by the grantors, and have continued by them and their assignees to the present time.

That in the year 1844 an act was passed by Congress reviving the act passed for Missouri in 1824, and applying its provisions to the State of Louisiana.

That the claimants to these two tracts of land instituted suits against the United States in the district court of the United States for the district of Louisiana, and recovered the same by the judgment of that court. That from this judgment the United States appealed to the Supreme Court of the United States, and that this court affirmed the decision of the district court, whereby the claimants became entitled to the land covered by said two grants.

That in the meantime the United States had sold, donated, and granted some of these lands.

The bill provides for the issuing of certificates or floats by the Commissioner of the General Land Office to the claimants and their legal representatives, authorizing them to locate an equal quantity of land on any land belonging to the United States subject to private entry, at a price not exceeding one dollar and twenty-five cents per acre, for the land so sold, donated, and granted, in full satisfaction of all their damages.

This provision, in the opinion of your committee, is in accordance with the uniform practice of this government in such cases, and in accordance with the principles of justice and equity, and your committee therefore respectfully recommend the passage of the bill.

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GOVERNMENT CONTRACTS.

DECEMBER 17, 1861.—Ordered to be printed. The further consideration of the said report postponed until Tuesday, December 24, 1861.

Mr. WASHBURNE, from the select committee to inquire into the contracts of the government, made the following

REPORT.

The special committee of the House appointed to inquire into all the facts and circumstances connected with contracts and agreements by or with the government, growing out of its operations in suppressing the rebellion, submitted the following report, in part:

By the action of the present House of Representatives at the extra session of Congress, on the 8th day of July last, and on the 10th day of the same month, a special committee of seven members was appointed for the purposes which are set forth in the resolutions of the House, which will be found embodied in the journal of the committee, and to which reference is made.

Acting under the resolution which authorized the committee to sit during the recess of Congress and at such times and places as might be deemed proper, they commenced the discharge of their duties in the city of New York on the 27th day of August last. They have prosecuted their labors from that time to the present with as much diligence as they were able to bestow. As the subject of their investigations was not limited to any particular section of the country, the committee, in accordance with the authority granted in one of the resolutions, deemed it their duty to take upon themselves the task of visiting various localities in different parts of the country where it was supposed that examinations were necessary. This was done in order to save the government the expense of the attendance of witnesses from long distances, and for the purpose of being enabled in the particular localities to more thoroughly investigate such transactions as seemed to demand their attention. This has resulted in the saving of a large expense to the government. The mileage of the witnesses examined by your committee, had they been brought to Washington, would have amounted to \$36,000. It was deemed proper to pursue the investigations during the recess at other points

than the capital, leaving the examinations here to be made while Congress was in session. The committee has held its sittings in Washington, New York, Boston, New Bedford, St. Louis, Cairo, Chicago, and Harrisburg, and the members have travelled between six thousand and seven thousand miles. They have examined two hundred and sixty-five witnesses. The testimony embraced in the present report will cover 1,109 pages.

To cover the expenses of this investigation and that of other committees there was appropriated the sum of \$10,000. The expenses of the committee paid thus far, (excepting the pay of the stenographer,) being for the travelling and other expenses of the committee, for the mileage and fees of witnesses, for the mileage and fees of the sergeant-at-arms, for messenger hire, for stationery, rent of rooms, telegraphing, express charges, &c., amount to the sum of \$5,153 38. The amount of \$6,166 48 was paid to your committee, resulting from the investigation of a contract, to which more particular reference is made hereafter, an acknowledgment of the receipt of which by the Secretary of the Treasury will be found in the journal of the committee.

The labors of the committee are far from being closed. A large amount of testimony has been taken which has not been written out by the stenographer, and which will be made the subject of a further report. Only partial testimony has been taken on other subjects, and further testimony on such other subjects will be taken before the committee will report their final conclusions to the House. A large number of transactions at Washington and elsewhere seem to deserve attention, and with the approbation of the House the committee propose to vigorously prosecute their investigations so long as it may appear that they are demanded by the public interest.

The committee desire to bear testimony to the faithful and satisfactory manner in which their stenographer and clerk, Theodore F. Andrews, esq., and the sergeant-at-arms of the House, General Edward Ball, have discharged their respective duties.

STEAMER CATALINE.

Among the first subjects investigated by the committee was the charter of the steamer Cataline. This investigation was made under the express terms of the resolutions raising the committee, the House having by subsequent resolution requested the Secretary of the Treasury to suspend the payment of the amount due by the terms of that charter until the subject could be investigated.

The Cataline was chartered by Colonel D. D. Tompkins, assistant quartermaster general, at New York city, under the following order from General Wool:

“ST. NICHOLAS HOTEL,
 “*New York City, April 23, 1861.*

“SIR: You will make a contract with Captain Comstock for chartering two light-draught steamers to ply between Havre de Grace and Annapolis. I desire those steamers to be got ready with the least possible delay. If you can, without delaying these steamers, put as many provisions on board for the use of the troops in the south as will not impede their progress.

“Very respectfully, your obedient servant,

“JOHN E. WOOL,
 “*Major General.*

“Major Grinnell will receipt for the provisions.

“Colonel D. D. TOMPKINS,
 “*Assistant Quartermaster General, N. Y.*”

No doubt can be entertained that Colonel Tompkins acted in entire good faith, so far as he was connected with the transaction. He testifies as follows as to the circumstances immediately connected with the charter:

Captain Comstock came to me and presented to me the Kill Von Kull and the Cataline. The first proposition that was made made the government responsible for her loss under all circumstances. That I declined doing. I told Captain Comstock I would not entertain the proposition. Then he came in with a second one, which I did accept. This was soon after the riot at Baltimore, and we were very busy here night and day. I had no time to look into the matter personally. I had confidence in Captain Comstock, and I told him I should depend upon him to say whether it was all right in regard to the value of the boat, &c. He said, “Colonel Tompkins, it is all right.” Here is a copy of the contract:

“NEW YORK, *April 25, 1861.*

“DEAR SIR: I will charter the steamer Cataline to the United States government for a term not less than three months, at ten thousand dollars per month, payable monthly. The boat will be run at owners' expense, and be purchasable at any time during said three months for \$50,000 by the government. All risks usually covered by marine and fire policies to be borne by the owners, all other risks by the government; and in case of loss by any of the latter risks, fifty thousand dollars to be paid for the boat, and all injuries in proportion.

“Yours, truly,

“M. M. FREEMAN.

“Captain Jos. S. TOMPKINS.”

Upon that offer I indorsed the following acceptance:

“The within proposition is accepted, time to commence at 12 o'clock m. on the 25th day of April instant, and to terminate at the same hour on the day she may be returned to the owners in New York, with the understanding that all time lost by damage to the boat by the elements, bursting of boilers, breaking of machinery, or collision at sea or in port, to be deducted. It being understood that

the boat is to be kept in perfect running order all the time she is in service of the government. Payment for services to be made upon the certificate of an officer of the army, or the affidavit of the master of the steamer, which must be explicit as to the fact of her having been kept in perfect running order.

“D. D. TOMPKINS,

“Assistant Quartermaster General.”

The testimony taken before the committee establishes the following facts: Immediately after the date of General Wool's order, Captain Comstock, in company with Samuel W. Morton, visited the Cataline, then owned by Margaret Corlies, and lying at Brooklyn, New York. Morton made a conditional contract for her purchase, and on the same or the next day informed John E. Develin, a lawyer of New York city, and one of the proprietors of the Astor House Hotel, that he “thought there was a pretty good chance of furnishing a boat to the government, and that something could be made with good management;” and on the 24th of April, the day after the order of General Wool was issued, John E. Develin purchased the vessel for \$18,000; the purchase was made in the name of Charles E. Stetson, jr., the brother-in-law of Develin, and also his partner in the proprietorship of the Astor House Hotel. M. M. Freeman & Co., ship merchants of New York city, furnished the \$18,000 to pay for the vessel, and also the means to provide for her outfit. On the 25th of April the proposition to charter the vessel was drawn up by John E. Develin, at the Astor House, in the presence of Captain Comstock and M. M. Freeman, and left with Captain Comstock; and Colonel Tompkins relying, as he states in his evidence, on the assurance of Captain Comstock “that all was right,” accepted the proposition, and the vessel, partially loaded, left New York for Annapolis on the 29th day of April, after an unsuccessful effort to obtain a clearance to leave the port of New York on the 27th day of that month, and remained in the employment of the government until the 2d day of July last, when she was destroyed by fire, having been in the employment of the government for two months and eight days.

It does not appear that Captain Comstock made any effort to charter the vessel from her original owner, or that any person, except Morton and Develin, and parties acting in concert with them, were informed of the purpose of the government to charter this or any other vessel until after the purchase was made.

Transactions affecting public interests should be more open and direct. It is to be regretted that this transaction is so complicated and obscure. There are apparently three parties who seem to be interested in the charter of the Cataline to the government: John E. Develin, who really made the purchase, Charles E. Stetson, jr., in whose name the purchase was made, and M. M. Freeman & Co., who advanced the money, both for the purchase and outfit of the vessel. The relation of each of these parties to the transaction will be briefly considered. From the testimony it would seem that Mr. Develin had no interest in the purchase of the vessel. He testified as follows :

“Question. What was the object in taking the boat in the name of a third party?

Answer. I intended the boat for my brother, Charles A. Stetson, jr., and that he should have the benefit of the purchase, as it made no difference with me, and I advanced him the money to buy her for himself and on his own account.

Question. What conversation had you, after the purchase of the boat, with Stetson as to the probability of the government chartering her?

Answer. None.

Question. The purpose, then, for which the purchase had been made had not been disclosed to him up to the time of your interview with Freeman?

Answer. I do not think it had. I might or I might not have disclosed it. We were and are very intimate, as much so as if we had been actually brothers born, and all I have is his if he wants it, and I think he reciprocates this sentiment towards me.

Question. Was he aware that the title was to be taken in his name?

Answer. Yes, sir; for I told him to buy the boat and have her transferred to himself. He bought the boat, and did such things at the custom-house as were necessary to vest the title in him. I do not know the details of that matter.

Question. But he was not aware of the particular purpose you had in view in making the purchase?

Answer. Not that I know of positively, but he may have known.

Question. Although the title was to be taken in his name, was it the understanding that it was to be a joint affair between you?

Answer. There was no understanding about it; and I can only explain what may seem strange about this by the fact of the community of interest in most matters which exists between him and me and the mutual confidence between us.

Charles E. Stetson, jr., seems to have been innocent of any design in the purchase of the vessel, and says in his testimony :

Question. Have you had any connexion with the steamer Cataline?

Answer. Yes, sir.

Question. State to the committee what connexion you had with the purchasing the steamer Cataline, and the chartering her to the government.

Answer. About the 20th of April last my brother-in-law, John E. Develin, came to me and said that the steamer was to be bought, and wanted me to buy it, and he would furnish the money. I went down to the office where the owners were, and the ship was there made over to me in my name. I believe the bill of sale runs to my name alone.

Question. When did Develin first introduce this subject to you?

Answer. The evening before that, I believe, and I went down the next morning at 10 o'clock.

Question. What was the motive upon your part for the purchase? What interest were you to have in the steamer?

Answer. I left that matter to be determined altogether by my brother-in-law.

Question. What was the price paid?

Answer. \$18,000.

Question. By whom was the money furnished?

Answer. Develin gave me a check for \$10,000, which was paid to Corlies at Develin's office. We then went down to an office in Liberty street and closed the bargain, where Freeman furnished the balance of the money.

Question. Had you any interview with Freeman in relation to the purchase?

Answer. No, sir.

Question. Did you know at the time that Freeman advanced the money?

Answer. I did not know anything about it, except that I saw his check, and afterwards I knew that he had advanced the other money.

Examination by Mr. Holman.

Question. Did you give your individual note of \$18,000 for this vessel, or was it indorsed or otherwise secured by other parties?

Answer. I think it was my own note.

Question. What information had you that Develin was proposing to purchase this vessel, either in your own name or that of any other party, prior to the time when he spoke to you?

Answer. None whatever. He came to me in the evening after we had left the office, and called me up to his room and spoke to me about it. I think that was about the 20th or the 21st of April. It was the night before the vessel was finally bought. The vessel was bought the next day and \$10,000 paid.

Question. And was it the next day that the boat was chartered by the government?

Answer. I think it was.

Question. What had you heard Develin say before that time about the government purchasing or chartering the vessel?

Answer. Nothing.

Question. What had you heard Captain Comstock say upon the subject?

Answer. Nothing until after the vessel was bought, and I think not until after it was chartered."

Neither of these parties seem to have had any agency in the actual furnishing of the vessel to the government, for while Develin actually made the contract for the purchase, and Stetson became invested with the title of the vessel, neither of them advanced any money. The \$18,000 was furnished by Freeman & Co., whose connexion with the vessel is stated by M. M. Freeman in his testimony, as follows:

"Question. What is your business?

Answer. I am a shipping merchant, in this city.

Question. Are you in the habit of making advances upon the purchase of vessels?

Answer. Yes, sir.

Question. Who is Mr. Develin?

Answer. A brother-in-law of Mr. Stetson, and a lawyer of this city.

Question. Has he any connexion with the merchant marine service?

Answer. Not that I know of, except as a lawyer.

Question. How much money did you advance upon that contract?

Answer. Eighteen thousand dollars in cash to pay for the boat, and we advanced about \$5,000 more before the boat left the port.

Question. How did you make the advance?

Answer. I made the advance to Develin in cash to pay for the boat; that was the understanding.

Question. By check?

Answer. Yes, sir.

Question. On what bank?

Answer. Upon the Mechanics' Banking Association.

Question. You advanced \$18,000 at one time, and \$5,000 at a subsequent time?

Answer. Yes, sir; but the \$5,000 was for the outfit of the boat; such as necessary furniture, provisions, coal, and other necessary articles.

Question. To whom did you make this last advance?

Answer. To the different parties with whom the bills were made.

Question. What did you have for your security?

Answer. I had the boat, the policy of insurance upon her, the contract with the government, and notes from Mr. Stetson and Mr. Develin.

Question. What were the terms of the advance?

Answer. That I was to have a commission for the doing of the business, the interest upon my money, and an interest of one-tenth in the profits of the contract.

Question. What was the full price to be paid for the steamer by Mr. Stetson?

Answer. \$18,000 as she then was, requiring some outfit, which we put on afterwards."

"Question. What did you know about the boat?

Answer. My knowledge of the boat was derived principally from representations of Mr. Develin, who said she had been examined thoroughly, and reported as cheap at \$18,000. The owner had asked \$20,000 for her. We had the boat examined by the Commercial Insurance Company, to whom we applied to have the boat insured, but they asked so much that we did not have the boat insured by them.

Question. What knowledge had you in reference to the sea-worthiness of the boat?

Answer. I had seen Captain Comstock, who had been ordered to examine her.

Question. Had you ever seen the boat?

Answer. Not before Mr. Develin came to me about her.

Question. Did you see her before you closed the contract?

Answer. I did.

Question. You spoke of applying for an insurance, and stated that the rate was so high that you did not get her insured.

Answer. I did not get her insured at that office.

Question. What rate of insurance did they demand?

Answer. Seven per cent. a month.

Question. Did you get her insured afterwards?

Answer. I did against fire.

Question. At what office?

Answer. In nine different offices in the city of New York.

Question. Have you a memorandum of the offices, and the amount for which the boat was insured?

Answer. I have not here.

Question. Can you get it and present it to the committee?

Answer. I can, and will.

Question. Can you state the rate of insurance you paid?

Answer. I cannot now with sufficient distinctness, but I can give you all the information hereafter.

Question. State whether or not the rate of insurance was so great as to imply that the boat was unworthy.

Answer. That was not the reason given to us at all; on the contrary, they were willing to take the risk. They had no objection to the boat. The reason given to us was the uncertain state of the country, the place she was going to at the time she was chartered, and they were unwilling to take the insurance upon lower terms.

Question. Where is the contract?

Answer. At my office, and I will bring it here with Tompkins's endorsement on it.

Question. Who is Mr. Tompkins?

Answer. He is United States quartermaster at this station.

Question. Did he examine the steamer?

Answer. I do not know; I think the examination was left to Capt. Comstock.

Question. (By Mr. Fenton.) Of whom was this purchase made?

Answer. It was made of Geo. W. Corlies, as agent of Margaret G. Corlies.

Question. (By Mr. Fenton.) You said your security was an assignment of the boat by Stetson to Develin, a policy of insurance upon the boat, and the note of Mr. Stetson. What other parties were there, and what was the contract with them?

Answer. So far as I know there were no other parties. I took the charge and management of the boat on account of Mr. Stetson, in whose name she stood. He put the management of the boat in my hands. That is the usual way this kind of business is done."

M. M. Freeman & Co. held as security for the money they had advanced the insurance of \$20,000 on the vessel, the notes of several other parties, and the contract with the government. The

contract with the government is not remarkable for disinterestedness in promoting the national welfare, yet the government will certainly be satisfied with ordinary *fairness* and *integrity* in contracts made on its behalf, even if a willingness to seize upon the public misfortunes for personal aggrandizement is manifest in the transaction. While the republic has a right to expect, it cannot compel the unselfish devotion of its citizens.

The provision that the government should pay \$50,000 for a vessel just purchased for \$18,000, in the event of her loss by a peril not covered by the insurance, is totally indefensible. But the main provision of the contract, while undoubtedly exorbitant, is less to be condemned. The government was to pay \$10,000 a month for the vessel, and that, too, for a period of not less than three months. Colonel Tompkins seems to have paid no attention to the time for which the vessel was chartered. The order of General Wool is silent on the subject. The presence of Captain Comstock at the time the proposition was drawn up would justify the inference that the time (a very material feature in the contract) was adjusted between himself and Develin and Freeman, the other parties then present.

There is some conflict in the evidence as to what would be a fair price for the charter of the vessel, and especially as to the cost of running her; the latter inquiry is manifestly the most important in its practical results.

Benjamin F. Woolsey, of Jersey City, an experienced ship chandler, testified as follows :

“Question. Are you sufficiently acquainted with steamers to judge of her value?

Answer. I have built boats, and owned them.

Question. What was the value of that boat when she was chartered in April last?

Answer. I should think she was worth from \$10,000 to \$12,000. She had a pair of boilers upon her guard when new, and she was a boat which would cost, when new, from \$27,000 to \$30,000.

Question. (By Mr. Holman.) She was built in 1844. Does your estimate of the cost of building her apply to that time, or what it would cost to build her now?

Answer. It would not have cost more than that to build her within the last year or two. I do not believe I should have been willing to have given for her within the last two years over \$10,000 or \$12,000. I do not think that at the time of her construction she could have cost over \$27,000 or \$30,000.

Question. What could you have chartered a vessel for at the time this was chartered which would have answered the purpose for which the Cataline was chartered, and could vessels of that kind have been found?

Answer. And the government insure her against loss?

Question. Everything except such as would be covered by insurance, and the owners furnishing everything?

Answer. I think a boat of that capacity could have been chartered for three months—and, indeed, I should have been willing to have furnished such a boat—for from \$150 to \$175 a day. If she was run all the time, and at high speed, it would make considerable difference.

Question. (By Mr. Holman.) From the 20th to the 25th of April last were there a sufficient number of unemployed vessels about the city of New York, so that the government could have engaged vessels on reasonable terms?

Answer. There were a plenty of them, and they could have been chartered in the city of New York, to do the work the Cataline did, for \$125 to \$150 a day, and there would have been no difficulty in engaging such vessels. I think I would have been willing to enter into an arrangement to furnish a vessel to do the work she did, and run the number of miles she did, for \$125 to \$150 a day. Of course I do not know certainly the number of miles she run in a day.

Question. (By Mr. Steele.) How many tons of coal would she consume in an hour?

Answer. She would consume a half a ton an hour, at an ordinary rate of speed.

Question. Will you state what hands she would need, and the price for which they could be obtained, and the other expenses of running the boat?

Answer. 1 captain, (per month)	\$100
1st mate	45
2d mate	25
2 pilots	100
4 deck hands	60
No clerk needed.	
2 cooks	30
1 waiter	12
2 engineers	100
4 firemen	100
Coal	750
Oil and wood	75
Provisions	240
Insurance	180
	1,817

She would not want more than four deck hands, at \$15 a month. I have been in the habit of employing them, and have never paid more than that. A clerk would not be necessary. One waiter would be sufficient. Two dollars and a half a day would be sufficient for wood and oil; but little would be used. Eight dollars a day would feed the hands well. I cannot see that there would be any other expenses."

Isaac O. Phillips, who commanded the Cataline while she was in the employment of the government, testifies on the same point as follows:

“Question. You were employed as captain of the boat by Freeman & Co. ?

Answer. I was, for so much a month; but afterwards he contracted with me to victual, coal, man, and run the boat for so much per month.

Question. What did you contract with them to run the boat for, independent of your wages?

Answer. My whole contract amounted to \$3,100 a month, including my monthly wages.

Question. Was the contract a written one?

Answer. No, sir; it was a verbal one, to victual, man, coal, and run the boat.

Question. What did it cost you to run the boat?

Answer. It cost nearly the whole of the amount I was to receive. I have not yet made up the whole account of my expenses.

Question. When can you get it made up?

Answer. That depends upon the lawyer who has the matter in hand.

Question. Did you have a clerk on board?

Answer. No, sir; I acted as my own clerk.

Question. Can you give the committee some idea of the items of the cost of running the boat?

Answer. Some days it was more than on others. The average daily consumption of coal was about twelve tons, and some days less.

Question. Can you not give us a detailed statement of the actual cost?

Answer. I made up the statement once, and I think it was \$2,800 per month.

Question. Had you any interest in the vessel?

Answer. No, sir. I referred entirely to the owners. I contracted with the owners to run the vessel myself. If I could save anything out of the contract, well and good; and if I could not I would only have my wages. I made a bargain in the first place for \$300 a month for my services. Afterwards they wanted me to come to some understanding as to expenses. The result was that I made a bargain to furnish everything for \$3,100 a month, including my wages.”

M. M. Freeman, in his evidence in reference to the cost of running the vessel, says :

“Question. Have you made an estimate of what it cost you to run the boat per month?

Answer. As well as I can judge, she cost us nearly \$10,000 during the time we owned her. That includes the wear and tear upon the vessel.

Question. How long was she in the service?

Answer. Two months and eight days.

Question. How do you make out that amount?

Answer. We paid Captain Phillips per month \$3,100,	
making for the time about.....	\$7,000 00
For commissions on the purchase, at $2\frac{1}{2}$ per	
cent., say.....	500 00
For commissions on disbursements.....	200 00

For commissions on collecting insurance	\$500 00
For repairs, (estimated)	500 00
	8,700 00

The commissions are our charges for doing the business. We get commissions for her purchase, and for all bills we pay for her. You readily see we cannot afford to advance \$23,000 cash for seven per cent., and do all the work and business of the vessel in addition. As ship merchants, it is our business to charge commissions.

Question. What sort of repairs had she?

Answer. I suppose the repairs will amount to \$500 or \$600.

Question. Do you know that, or is it a general estimate?

Answer. It is my general estimate."

Without making a deduction from this conflict of evidence, and for the purpose of avoiding an *ex parte* view of the case, giving full effect to the testimony of Mr. Freeman and his agent, Captain Phillips, the result would be that, after paying Captain Phillips \$7,000 for running the vessel, (which, of course, includes the outfit,) during the time she was in the government service, and \$500 for repairs, and there would remain of the \$10,000, already received by the parties from the government, the sum of \$2,500, on account of interest, insurance, commissions, and profit on capital of \$18,000 to \$20,000 for less than three months, and that not in peril.

The parties place their own estimate on the value of the contract. M. M. Freeman & Co., who are regular ship merchants, and who advanced all the capital used in the venture, are to receive only one-tenth of the profits; while Stetson and Develin, who had only the good fortune to know the pressing wants of the government in advance of others, were to receive nine-tenths of the profits. But good faith on the part of the government is indispensable, and in fulfilling even its implied obligations, and applying the principles of equity to contracts with its citizens, the government of the United States has been of all nations the most liberal. Where a contract has been made in good faith it has been promptly carried out, though the terms may have been extravagant; yet where, at first blush, the amount to be paid for a given service is grossly exorbitant, that fact must be considered in determining whether or not the contract was made in good faith. The people, necessarily acting through agents, have a right to demand integrity on the part of those agents, and common fairness on the part of those who deal with them, and no contract made with the government ought to preclude an investigation into the terms of the contract and the fairness of its stipulations. And the circumstance of great national peril, involving the welfare of the whole people, compelling great haste and improvidence on the part of the agents of the government on the one hand, and furnishing an occasion for grasping mercenary speculation on the other, instead of furnishing an argument in favor of an unconscionable contract, should demand a more rigid scrutiny into its provisions, and when found unreasonably exorbitant the rules of severe equity should be applied. Especially

would this be right where the agent of the government has exhibited, either out of personal friendship or from any other cause, a partiality for the contracting party; or, while acting for such party, possessed with his knowledge the peculiar confidence of the government. And this principle, on the score of public integrity, should apply to contract, whether the amount involved is great or inconsiderable.

Without wishing to question the integrity of Captain Comstock, the committee are compelled to observe that in this instance the agent, through whom the contract was made, possessed the confidence of, and would, indeed, seem to have been acting for, both the government and the contractors. By the order of General Wool, Captain Comstock would seem to be the party with whom the contract was to be made. "You will make a contract with Captain Comstock," is the language of the order to Colonel Tompkins. He was implicitly trusted by Colonel Tompkins, who says: "I had confidence in Captain Comstock, and told him I should depend on him to say whether it was all right in regard to the value of the boat," &c. "I told him I had no time to examine the matter. I told him I relied upon him as to her value, as General Wool told me to take two boats from him. I knew he had been a steamboat captain of long standing, and I relied exclusively on him." On the other hand, Captain Comstock first examined this vessel in the presence of Mr. Morton immediately after the date of the order from General Wool. Mr. Morton calls the attention of Mr. Develin to the fact that such a vessel is needed by the government. Mr. Develin consults Captain Comstock as to the value of the vessel and the price the government would probably pay for her charter. Captain Comstock is present at the Astor House in private interview with Mr. Develin and Mr. Freeman, at the time the proposition to charter the vessel is drawn up, and where the length of service, price per month, and price of the vessel, if lost, are determined upon. The presence of Captain Comstock on such an occasion, and for such a purpose, can only be accounted for by the intimate relation of the parties.

The information on which Mr. Develin acted must have come from some source. Mr. Freeman on this point, referring to the proposition to charter the vessel, says:

"Question. Was the proposition written in the presence of Captain Comstock, and there delivered to him?

Answer. Yes, sir.

Question. By whom was the proposition made as to the length of time this vessel should be chartered, or was that the result of a conference between yourself, Comstock, and Develin?

Answer. The proposition was written by Develin, by my dictation.

Question. What suggestion did Captain Comstock make upon the subject, if any?

Answer. None than I am aware of.

Question. As to the price of \$10,000 a month, who suggested that sum?

Answer. Develin had told me previously that he thought she could be chartered for that sum.

Question. And when the proposition was drawn up, that sum was inserted, as a matter of course?

Answer. It was a proposition we made to the government, as you will see by the terms of the contract.

Question. But the \$10,000 was mentioned in the proposition, as a matter of course, from the previous conversation between yourself and Develin?

Answer. Yes, sir.

Question. Did Captain Comstock make any suggestion upon the subject when that specific sum was named?

Answer. I think not.

Question. Did he suggest it was too high or too low?

Answer. He made no suggestion about it, as I know.

Question. When Develin told you it could be hired to the government for \$10,000 a month, upon what did he tell you he based that opinion?

Answer. I do not remember that he gave me any basis for the opinion.

Question. Did he mention the fact that he had had a conference with Captain Comstock upon that point?

Answer. He may possibly have said he had been in treaty with Captain Comstock for her, and that he could get \$10,000 a month for her.

Question. What is your best recollection as to whether he told you that or not?

Answer. Develin certainly gave me assurances that he could get \$10,000 a month for it.

Question. What is your best recollection as to whether he predicated his opinion upon a conference which he may have had with Captain Comstock?

Answer. I do not know that I can give a statement upon a subject in reference to which I have no definite recollection.

Question. But Captain Comstock's name was mentioned in reference to the particular sum of \$10,000?

Answer. Captain Comstock's name was mentioned in that conversation, and may have been mentioned in the way that Captain Comstock supposed he could get it; but I have no recollection upon the subject.

Question. For what purpose was Captain Comstock present when the proposition was drawn up?

Answer. To receive the proposition."

Taking the whole testimony together, it is impossible to consider Captain Comstock in any other light than the intimate and confidential friend of the contractors, and at the same time trusted, and known to be trusted, by the government; in fact, the agent of both parties, and his acts equally open to the scrutiny of either. It is not a question of integrity on the part of Captain Comstock, but of the obligation of absolute good faith and mutual fairness.

There are some matters connected with the Cataline which the committee have found it impossible to explain, especially in regard

to the cargo with which she was intrusted on leaving the port of New York, and the manner in which her departure from that port was effected. The Cataline is said to have left New York for Annapolis with supplies for the army. She was being loaded with these supplies before she was actually chartered to the government. Neither the quartermaster nor commissary's department at New York, nor the Union Defence Committee, nor George D. Morgan, had anything to do with it. Was the cargo shipped on private account, or for the government? Was she loaded on private account and by some mode the cargo turned over to the government? These questions the committee have not been able to answer. They can only find the following evidence of a shipment on behalf of the government, in Major Eaton's testimony :

"NEW YORK, *May* 3, 1861.

"SIR : Acting under your instructions to me under date of April 21, 1861, I have purchased and shipped the following articles for the government by the conveyances named :

"By steamer Cataline:

25 boxes soap,	600 hams,
6 bbls. dried beef tongues,	12 bbls. white beans,
25 casks Scotch ale,	10 casks London porter,
12 bbls. pickles,	6 bbls. split peas,
200 cheeses,	25 firkins good butter,
35 quintals codfish,	300 boxes selected herring,
210 bbls. hard bread,	18 head beef cattle.

By steamer Roanoke:

75 bbls. army mess pork,	1,365 bbls. pilot bread,
73 bales blankets,	73 bbls. beans,
260 bbls. ground coffee,	183 bbls. yellow sugar,
235 $\frac{1}{2}$ -boxes adamantine candles,	40 sacks Ashton salt,
1,000 bushels potatoes,	48 bbls. super. flour,
20 $\frac{1}{2}$ -chests tea,	32 cases palm leaf hats.

By steamer Chesapeake:

17 cases linen pantaloons,	435 bbls. pork,
37 tierces hams,	111 head beef cattle.

"And I have made some other purchases, of not large amount, a list of which I will forward to you when shipped, and a similar list will be sent to the quartermaster, commissary, and ordnance officers here.

"I have the honor to be, respectfully, your obedient servant,

"A. CUMMINGS,

"Agent of the War Department.

"Hon. SIMON CAMERON,

"Secretary of War, Washington."

It is probable that the articles in the above list were shipped by the Cataline. Some of them—the *twenty-five casks of Scotch ale and ten casks of London porter*—look wonderfully like some private speculation; yet Mr. Alexander Cummings, the agent of the Secretary of War, testified as follows:

“Question. Have you any knowledge of the loading of the steamboat “Cataline?”

Answer. Not a particle.

Question. Have you heard anything upon the subject?

Answer. I have heard what almost everybody has heard, but I know nothing of the matter.

Question. If that vessel was loaded at this port for the government, from your knowledge of the transactions which were taking place at the time, by whom would she have been loaded?

Answer. I do not know.”

Whether those articles were landed at Annapolis or not is uncertain.

The manner in which the Cataline left the city of New York is equally difficult to explain. Mr. Barney, the collector of the port of New York, says :

“Question. State all that you know relative to the clearance of the steamer “Cataline.”

Answer. Application was made to me on Saturday morning, the 27th day of April, by Charles A. Stetson, jr., who represented himself to be the purchaser of the steamboat “Cataline,” with the papers in his hands to show the purchase, for a change in the marine papers and the issuing of new marine papers to him as the owner. The papers were issued to him. He also demanded the clearance of that vessel to Annapolis. I had understood previously that such a request would be made of me, and that it was for the purpose of carrying out provisions and stores for the soldiers. I asked him how she was loaded, and to whom the cargo belonged. He said she was loaded with flour and provisions, and that the cargo belonged to several of his friends. I told him I could not clear the vessel, and I refused to clear her. He then said the provisions were for the army. I replied that as the cargo was not government property, but property of individuals, I could not clear her; that I had no request from any government officer to clear her, and must refuse. He inquired what certificate or whose request I should require to give her a clearance. I said the certificate of the chairman of the Union Defence Committee that those stores were forwarded by the request of the committee for the government, or for the supply of the troops, and the request of the chairman of that committee to give her a clearance, would, I thought, be sufficient to entitle her to a clearance. He asked me if such a certificate or request from some other party would not answer, and named several persons whose certificate and request he desired me to receive.

Question. Whom did he name?

Answer. Mr. Weed, Mr. Blatchford, and Mr. Draper. Told him

I should require the official certificate and request of the chairman of that committee. He went out, and soon after returned with a note from Mr. Weed stating that the cargo of this vessel, "Cataline," consisted of provisions and supplies for the troops, and requesting a clearance. I asked where Mr. Weed was, and said I would explain to him why I could not give the clearance. I went with Mr. Stetson, jr., to the Union Defence Committee's room, where I found Mr. Weed. Showed him the note, and explained to him why I could not grant a clearance. He said it was all right; and, taking the note, said it would be arranged in some other way. After some conversation with General Dix, the chairman of the committee, I concluded not to give a clearance unless requested to do so by General Wool, as he was the commanding general of the army of the department of the east. I saw General Wool, and stated what had occurred, and requested him to be careful, and investigate every case before he requested me to give a clearance. Afterwards, and on the same day, Mr. Stetson brought me a written request for a clearance from two other persons. I said nothing would do but a request from General Wool, as I had told him before. He went away, saying he would get that request, but I did not see him afterwards. That was about 2 o'clock p. m. on Saturday. I heard nothing more, as I now recollect, about the "Cataline," until the next Monday morning after 9 o'clock, when I received a note from General Wool, saying that he had revoked the pass which he had given the day before to the "Cataline," and requesting me to detain her.

Question. What do you mean by a pass, such as General Wool would give?

Answer. He would give a pass only to a vessel owned or chartered by the government. All other vessels would require a clearance, unless they went under convoy of government vessels, and then they would have a pass. I sent the surveyor immediately down to stop and detain the "Cataline," but he reported that she had already gone to sea."

But the cargo, clearance, and ultimate loss of the Cataline do not necessarily enter into this investigation, and are only referred to to indicate the obscurity of the entire transaction. The committee, however, base their conclusions on the facts established by the evidence with reference to the charter of the vessel, and in considering the whole evidence they are impelled to the conclusion that the vessel was chartered to the government at an unconscionable and exorbitant price; that Captain Comstock, by whom this was effected, while enjoying *the peculiar confidence of the government*, was acting for, and in concert with, the parties who chartered the vessel to the government, and was in effect their agent—facts unquestionably known to the parties interested in the vessel, and certainly unknown to Colonel Tompkins; and that the sum of \$10,000, already received by M. M. Freeman & Co., was a fair compensation for the use of the vessel while in the employment of the government.

PURCHASING OF VESSELS.

The exigencies of the public service have required the expenditure of a large sum of money in the purchase and fitting out of vessels for the expeditions against the southern coast, and for the other new duties imposed by the rebellion. More than seventy vessels, of different capacities and value, at a first cost of nearly \$3,000,000, before fitting and furnishing them, respectively, for the peculiar service for which each was designed, were purchased by the government, in the single port of New York, in the short space of six or seven weeks.

The dictates of a prudence and sagacity, such as characterize the most ordinary business transactions, would have required the employment, in this most responsible duty, of the best talent and experience of the navy—of men who, by their professional experience, are presumed to know what service is required of such vessels, and what particular ones, in a crowded market, would meet the exigency. Such men would seem to be best fitted for a service of this character, from position and relation to the government itself, as well as from habits of mind, and the training of a whole life. They are so officially connected with the administration of public affairs as to be directly responsible to the most prompt and rigid military inquiry for any want of integrity or efficiency in the discharge of every duty devolved upon them. They have also in their keeping the honor and fame of the navy. Nothing in the past history or present character of that arm of the public service justifies the slightest distrust of its capacity to discharge, promptly and satisfactorily, every duty the times have exacted of it. Any just ground for cherishing such a distrust would peremptorily call for a re-organization of the department, and the injecting into it a new life, equal to the measure of demand which the public has a right to make upon it. The committee are happy to believe that no evidence of such a necessity exists. If, however, the emergency has been so great that the assistance of those having no official connexion with, or responsibility to, the government, became an imperious necessity, the same dictates of prudence, and regard for the economy and efficiency of the service, would have required the department, in such case, to avail itself of the skill and experience of men who have fitted themselves, by service upon the sea, by the building or buying and selling of ships, to know of the character, capacity, and value of the various vessels offered to the government.

The committee regret to find that these plain rules, governing all successful business transactions, have been disregarded, and that the public service has greatly suffered thereby. As early as the middle of May, the government being in want of two or three sailing ships for coaling purposes, and thinking that whaling vessels then out of employment and lying idle at the wharves in New Bedford could be advantageously purchased for that purpose, Commodore Breese, in command of the Brooklyn navy yard, upon the advice and recommendation of a highly patriotic citizen of New York, Mr. William H. Aspinwall, who, as well as the commodore, acted with entire good

faith in the matter, sent a New York broker, W. H. Starbuck, to New Bedford to purchase for the government two whale ships for the purpose indicated. He was furnished with funds by Mr. Aspinwall to the amount of \$15,000, and instructed not to exceed that sum in the price paid for both ships. He proceeded to New Bedford and purchased, of Mr. George F. Barker, the ship "Roman" for \$4,000. Mr. Barker testifies—see his testimony, page 345—that he sold Mr. Starbuck the "Roman," at his own tea-table, in New Bedford, for \$4,000 cash, never having seen or known any other person in the transaction. The next morning Mr. Barker wrote a bill of sale of the vessel to Mr. Starbuck, who requested him to insert, instead of his own name, that of a friend, Mr. Henry J. Thomas, who then, for the first time, appeared in connexion with the "Roman." This was done, and the name of Mr. Thomas thus appeared as that of purchaser, and his checks were given for the pay. The ship "William Badger"—see testimony of George B. Richmond, page 343—was purchased for \$2,500, in a similar manner, by Starbuck, in the presence of Thomas, who accompanied him in this instance; but the bill of sale was made out to Thomas, at the request of Starbuck, and Thomas gave his checks for the amount. From the testimony of the cashier of the bank on which these checks were drawn—Mr. E. Williams Hervey, see page 349—it appears that Starbuck placed to the credit of Thomas, in the same bank, sums corresponding to the checks thus drawn by Thomas in payment for the vessels, on the same day the checks were drawn; indeed, Thomas himself reluctantly confesses before the committee—see his testimony, pages 351–361—that Starbuck paid all the money for these ships, and that he had himself no interest in them. His language was, "I got all my money; I am neither out nor in in the business." He immediately transferred the ships in blank; yet, both Thomas and Starbuck made affidavit, at the Navy Department, that Thomas "sold to Starbuck the ship 'Roman' for \$7,400, and the ship 'William Badger' for \$7,150, and that Thomas was the *bona fide* owner of said ships." These remarkable affidavits are as follows:

"I certify that on the eighteenth day of May, 1861, that I sold W. H. Starbuck, of the firm of Tappan & Starbuck, the ship "Roman," for the sum of seven thousand four hundred dollars, and the ship "Wm. Badger," for the sum of seven thousand one hundred and fifty dollars, and I was the *bona fide* owner of both the said ships, having purchased them dismantled and fitted them up with rigging, sails, boats, &c., with my own money.

The above sums were paid to me in conformity with receipts given at the time, gave him an agreement to allow him a commission of seven and one-half per cent. on the amount of the sale of the ships; and to pay all the expenses of fitting the ships here and getting them to New York.

I further certify that the said W. H. Starbuck acted only as a broker for the sale of said ships, and had no interest whatever in the business beyond the commissions.

HENRY F. THOMAS."

“COMMONWEALTH OF MASSACHUSETTS, *Bristol, ss:*

CITY OF NEW BEDFORD,
July 22, 1861.

Subscribed and sworn to before me.

WM. W. CRAPO,
Notary Public.”

“This is to certify that under authority from Commodore Breese to purchase two or three whaling vessels, intended for coal hulks, I went expressly on that business, and examined several, rejected the first selection as being unsound on being bored.

I purchased of Henry F. Thomas the “William Badger,” for the sum of seven thousand one hundred and fifty dollars, and the “Roman,” for the sum of seven thousand four hundred dollars; had no interest, direct or indirect, in the vessels, and have derived no benefit, direct or indirect, on the transaction beyond the usual commission of five per cent. on the sale to cover my expenses and trouble, in addition to which a commission of two and one-half per cent. was paid for advancing the money, as the owner demanded cash on delivery of bills of sale.

I had the above ships thoroughly examined and bored by W. L. Edwards, well known in New Bedford as a competent master carpenter.

W. H. STARBUCK.

Subscribed and sworn to, before me, this 23d day of July, 1861.

ANDREW R. CULVER,
Notary Public.”

Upon these affidavits the government paid Starbuck \$14,500 for these two ships, for which, while acting as the government agent, he paid only \$6,500. He was paid in addition five per cent. commission upon \$14,500 for his own services, and the additional commission of two and one-half per cent. upon the same sum for advancing the money. The committee would ask a comparison of these affidavits with the testimony before referred to, found on pages 341 to 361—and especially with that of Thomas himself, page 354—and confidently invoke the condemnation of the House upon the whole transaction.

It is proper to state that, after this testimony was taken by the committee, it was by them laid before the United States district attorney in New York, and such steps were taken as resulted in the refunding by Starbuck to the government of \$6,166 of the money thus obtained. The ships themselves were found, when delivered at the Brooklyn navy yard, totally unfit for the service for which they

were procured, and the government was again subjected to a further expense of several thousand dollars in repairs, and a delay of several weeks in their use.

On the 8th of May last the purchasing of vessels for the Navy Department, at the port of New York, was taken from Commodore Breese, the commandant of the Brooklyn navy yard, and shortly after transferred to Mr. George D. Morgan, of New York, under an arrangement between him and the Secretary of the Navy of a most singular and extraordinary character, and one the committee feel called upon to pronounce most reprehensible in its nature and demoralizing to the public service.

Mr. Morgan had never had the slightest experience in the new and responsible duties which he was called upon to discharge, either in the naval service, the building or buying and selling of ships, or in any pursuit calling for a knowledge of their construction, capacity, or value, never having spent an hour in either. The department itself seemed to have so little confidence in the ability of Mr. Morgan to judge of the quality and fitness of the articles he was constituted sole agent to buy, that it expressly enjoined upon him to rely in these particulars upon the judgment of three gentlemen of position in the navy, who were detailed for the special service of protecting the government from mistakes in this regard by the new agent thus constituted. For everything which entered into the fitness or propriety of the purchase, the department fell back upon itself.

The evidence was abundant before the committee that if it had been necessary to obtain the services of any gentleman outside of the navy itself, those gentlemen combining from experience and education the knowledge most calculated to fit them for this duty, independent of outside aid, could have been secured, without the slightest difficulty, for a salary not exceeding \$5,000 for the year. An intelligent ship-builder, B. F. Woolsey, page 288, testified as follows :

“Question. Do you know what Mr. Morgan's business has been heretofore?

Answer. I do not.

Question. Do you know whether, up to that time, he had had any experience as a ship broker?

Answer. I never heard that he had any experience.

Question. Would a person in the wholesale grocery business be likely to be a fit person to purchase ships?

Answer. I should think not.

Question. Does it require experience in the management, or in the building, or in the furnishing of vessels, to fit a man to be a good purchaser of vessels?

Answer. I think it does. I think a person who wished to purchase a vessel for himself, and for a certain purpose, would give the vessel a different examination from what Mr. Morgan could be expected to give vessels. I think he would fail to look at many points of a vessel which other persons, under different circumstances, would

look at. If I were to examine a vessel with a view to purchase for myself I should examine, perhaps, what he would not examine. I would examine the spars and rigging, as well as other things. I do not know but Mr. Morgan posts himself up through others.

Question. What experience is necessary to qualify a man to be a proper person to intrust with the purchasing of vessels for the government?

Answer. I should think one who is familiar with the building of vessels, and with the value of the materials entering into their construction, would be the best person to intrust with the purchasing of vessels. I do not know, if Mr. Morgan had a suitable person to rely upon, but that he would be as good a man as any one.

Question. Without experience, and relying upon his own judgment, would he be a safe person to intrust with that business?

Answer. If I wanted to purchase a vessel I would hardly like to rely upon his judgment.

Question. Could a person be safely intrusted with that business without the experience to which you have referred?

Answer. I should think not.

Question. Must not a person, in order to be a safe agent, either be himself qualified in that respect or procure persons who are qualified to aid him?

Answer. Yes, sir; I think, judging from what I have seen, if Mr. Morgan had persons of experience to report the facts to him, he would be a good person to buy vessels, as he makes a good bargain.

Question. Could the services of persons in New York, qualified by such experience, have been obtained by the government?

Answer. Yes, sir.

Question. Could they have been obtained upon a liberal salary?

Answer. Yes, sir.

Question. What would have been a liberal salary to a person qualified by such experience to perform those duties?

Answer. I think competent men could have been obtained for \$2,500 a year.

Question. And at the same rate for a shorter period?

Answer. Yes, sir; at that time.

Question. Would there have been any difficulty in the government availing itself of the best talent and experience for that duty at a salary of \$2,500 a year?

Answer. I think not. Perhaps ship-builders in New York would not think of entertaining such a proposition for less than \$5,000 a year, but I could get persons equally as competent as they are at \$2,500 a year.

Question. Is there any necessity for the government paying anybody more than \$5,000 a year for performing the duties which Mr. Morgan performs?

Answer. No, sir.

Question. Was it difficult to obtain any such competent person in this city? [New York.]

Answer. No, sir. I do not consider it difficult to obtain a person

of that kind in this city at any time. I think the best services could be commanded for \$5,000 a year, and perhaps you could get as competent men for \$2,500.

Question. Would there have been any difficulty in obtaining a man with all the qualifications of Mr. Morgan, and superadded thereto all the experience necessary to qualify him for those particular duties, for \$5,000 a year?

Answer. I think not."

Yet the whole duty of purchasing vessels for the navy at the port of New York was taken from Commodore Breese, commandant at the Brooklyn navy yard, and the other officers of the navy, and intrusted to Mr. Morgan.

Although the committee have occasion, at this time, more particularly to call attention to the remarkable arrangement which existed between the Secretary of the Navy and Mr. Morgan, as to the compensation he was to receive for his services, they desire to notice, in passing, a single instance of deception practiced upon Mr. Morgan in the sale to him of a new vessel, the "Stars and Stripes," which had been afloat less than two months. This vessel cost its owners but \$35,600 to build her, had earned, under a charter to the United States, in that two months, \$15,000 net, and was then sold to Mr. Morgan for \$55,000, making a clear profit to her owners of \$34,400. This was done by making Mr. Morgan believe that it cost \$60,000 to build her. It is difficult to see how such a deception could have been practiced upon a man of the acknowledged business capacity and shrewdness of Mr. Morgan, except that he had been called to a service in which he had had no experience and was ignorant, from any personal knowledge, of the cost of the article he was sent out to purchase.

The committee quote from the testimony not only to show how easy it is to practice, even upon men otherwise shrewd, when dealing in matters of which they have no personal knowledge, but also to expose the shameful manner in which the character of members of Congress and other officials is traded upon. Mr. Benedict, one of the owners of the "Stars and Stripes," testifies as follows, (p. 333:)

"Question. Do you know anything about the steamer *Stars and Stripes*?

Answer. Yes, sir; I was a stockholder and director in the company that owned her.

Question. What has become of her?

Answer. She was sold to the United States government.

Question. For how much?

Answer. \$55,000.

Question. Through whom was the purchase made?

Answer. I cannot tell; the business was done by the president of the company, C. S. Bushnell. He was the president of the New Haven Propeller Company, which owned the *Stars and Stripes*.

Question. When was the sale made?

Answer. I cannot tell exactly. I think it must have been about

the last of July. The reason I think so is that the treasury notes in which we received our pay were dated the 6th of August.

Question. Had the *Stars and Stripes* been previously chartered to the government?

Answer. Yes, sir.

Question. For how much?

Answer. At \$10,000 for thirty days; and it was optional for the government to keep her or not at \$9,000 a month after the expiration of that time.

Question. What was the original cost of that boat?

Answer. About \$35,000.

Question. And how much was she sold for?

Answer. \$55,000. We considered that we built her cheap. She was a very excellent vessel.

Question. Who were the parties that made the negotiation with the president of your company?

Answer. To tell the plain truth the company knew little about it. The president always declined to tell us much about it.

Question. Did he account to the company for that amount?

Answer. No, sir. He attempted to charge \$10,000 for selling the boat. The directors had several meetings in regard to it, and refused to allow the charge. Finally, all the stockholders were called together, and they allowed him \$8,000.

Question. Do you know whether all this amount of \$8,000 went to Mr. Bushnell himself, or to him and some other persons?

Answer. I do not know; he never would tell us. He declined to let us know anything about it.

Question. What idea had the directors in relation to the transaction?

Answer. The directors thought, at least, that it was a pretty heavy share.

* * * * *

Question. He intimated that he had to pay large sums in Washington to effect the sale?

Answer. He said distinctly that he did not himself get a copper of the \$8,000. We did not like to believe it, but he asserted it over and over again. He said that his relations to the persons to whom he was obliged to pay this money were such that he could not and would not reveal their names. He finally so far succeeded in satisfying the stockholders that they agreed to pay him the \$8,000.

Question. After paying him that sum, your company received the \$47,000 for the boat?

Answer. Yes, sir.

Question. With which the stockholders were very well satisfied?

Answer. Yes, sir.

Question. They would have been satisfied to have got \$35,000?

Answer. I think they would.

Question. Do you think that vessel was worth, these times, more than thirty-five or thirty-six thousand dollars?

Answer. I should think she was worth more than that. I think we built the vessel remarkably cheap.

Question. How old was she ?

Answer. She was upon the stocks when she was chartered. We worked for the government about six weeks under the charter, and were to receive \$10,000 for the first month, and \$9,000 for the second, but we received only \$9,300 for the first month.

* * * * *

Question. What assistance did he represent that he was obliged to get ?

Answer. He stated to us that it was impossible to approach the heads of department at Washington without letters of introduction, and that it was necessary to get men of influence to approach them.

Question. Did he represent that he was obliged to pay for letters of introduction ?

Answer. He said he was obliged to pay persons in Washington for their influence ?

Question. More than one person ?

Answer. He spoke of persons.

Question. Did he speak of having to pay for the influence of persons residing in Washington ?

Answer. No, sir ; he spoke as if they were members of Congress, or ex-members, or something of that kind, whom he paid for their influence. I will not say positively whether he spoke of ex-members.

Question. And he stated that he was obliged to pay out this entire \$8,000 ?

Answer. Yes, sir ; at least he stated that this two and a half per cent. to Morgan was to be taken out of it.

Question. But beyond that he gave you no information to whom it was paid ?

Answer. None whatever.

Question. Upon what ground, then, did the stockholders, after he refused to give them that information, vote to allow him \$8,000 ?

Answer. He told them a long story about the matter. He satisfied them that he could not approach the government directly ; that it was necessary to have assistance, and that in all probability he had spent this money.

Question. If it was necessary to have help, how was it dishonorable to disclose the names of the persons he was obliged to pay for their assistance ?

Answer. Because his relations to those gentlemen were such that he could not do it.

Question. Was it a secret influence that they were to exercise ?

Answer. I do not know what kind of influence was exercised.

Question. Was it an agency which they were carrying on at Washington among themselves ?

Answer. I do not know whether it was or not.

Question. Did he represent that it was an influence brought to bear upon the Secretary of the Navy ?

Answer. I think it was his intention to represent that.

Question. Did he represent that that influence was brought to bear from Hartford upon the Secretary of the Navy ?

Answer. No, sir ; he did not.

Question. Do you mean to say that he gave you no clue as to the kind of influence which was brought to bear?

Answer. He represented to the company that sometimes—not in our case—certain members of Congress were in the habit of saying to the department, “My constituents have a boat or something to sell, and I insist that you shall purchase that boat,” &c.

Question. And that that assistance it was necessary to pay for?

Answer. Yes, sir.

Question. Did he represent that the assistance which he was obliged to pay for was of that character?

Answer. Yes, sir.

Question. For procuring the assistance of members of Congress in behalf of their own constituents?

Answer. Yes, sir.”

When Mr. Bushnell himself was called before the committee and put under oath, he told a story not less remarkable than that upon which he obtained \$8,000 out of the company whose agent he was, but also totally at variance with it.

The committee quote so much of the testimony of Bushnell as relates to the deception practiced by him upon Mr. Morgan, and also that portion wherein he was compelled to acquit the men upon whose reputation he had traded with his employers, (page 673 :)

“Question. Did you tell Mr. Morgan how much the vessel cost?

Answer. I did not. I told him that she would cost them \$60,000. He might have understood me to say that she had cost \$60,000. I told him she would cost that now.

Question. What did you mean?

Answer. Before I made the final trade I took the trouble to see how much she could be built for, and the lowest estimate was \$60,000.

Question. Then, when you told him that she would cost \$60,000, you did not mean to say that was what she actually cost, but only that he could not get as good a vessel for less than \$60,000.

Answer. That was all. I meant that she was as good a vessel as he could get built for \$60,000.

Question. His inquiry of you as to what she cost was not an inquiry of your opinion as to what she could be replaced for?

Answer. I guess he asked me what she had cost.

Question. And you responded by telling him what she would cost.

Answer. That is it.

Question. How did you mean to have him understand it?

Answer. I meant to have him understand that she would cost \$60,000.

Question. When he asked what she did cost, did you understand that he asked what would be the cost of another vessel like her?

Answer. I cannot say.

Question. Did you really then deceive him?

Answer. Not intentionally. I did not think that what she had cost was any of his business.

Question. When he asked what the vessel had cost, why did you

not answer him by telling him what she cost, or by telling him it was none of his business?

Answer. I did not think of it. I gave him the first answer which came into my mind.

Question. I submit to you whether that was a direct answer to his question?

Answer. I cannot for the life of me see anything wrong in the answer.

Question. That is not an answer to my question. I ask you if that is a direct answer to my question?

Answer. It was the answer I gave him, but I cannot say that I think it was a direct answer.

Question. Do you think it left a correct impression upon his mind?

Answer. I do not know whether it left a correct impression, but I think it left a proper impression.

Question. If it left the impression that the vessel cost \$60,000, was it a correct impression?

Answer. I did not intend to give him any such idea. I told him I could not afford to sell the vessel for less than \$55,000.

Question. When you found him trying to ascertain what the vessel cost, what was you trying to say to him?

Answer. I was trying to give him an impression of what she was worth.

Question. Then you were not trying to give him an answer to his question?

Answer. I declare I do not know how to answer that question. I was trying to give him a correct idea of the value of the vessel. I built her when labor and materials were little more than half their present value.

Question. Was the shipping business as good last summer as it is this summer?

Answer. Yes, sir; much better; but I built her after South Carolina had raised the devil, and when the ship-builders all along our road left their ship frames up unfinished.

Question. But that would not affect the answer to the question as to what she cost.

Answer. I cannot see anything wrong in the answer.

Question. Suppose you answer my question, which is, do you think that was a correct answer to his question?

Answer. I cannot see anything wrong in the answer.

Question. I do not ask you about the morality of the thing, I am only inquiring as to a question of fact. Did you give him a correct answer to his question?

Answer. Yes, sir; I should say I did.

Question. Then, when he asked you what the vessel cost, you think you answered correctly by saying that she would cost \$60,000?

Answer. I answered him according to Yankee phrase, that is, by telling him what she would cost.

Question. Then your answer to my question is that you answered him according to Yankee phrase.

Answer. I answered him according to Yankee phrase.

Question. I put the question to you so that you may have an opportunity to answer it. When Mr. Morgan asked you what the vessel cost did you answer him correctly?

Answer. I should say I did not give him an answer to that question.

Question. The next question is, why did you not give him an answer?

Answer. Because I thought that was my business and not his.

Question. Were you disposed to tell him the entire truth about the matter?

Answer. Yes, sir-ee.

Question. Was it not the truth about the matter that she cost in the neighborhood of \$40,000 instead of \$60,000?

Answer. Yes, sir.

Question. Did you tell him that fact?

Answer. I should have told him if he had insisted on it.

Question. Did you?

Answer. I do not think anything more was said.

Question. Do you not suppose he would have insisted upon it if he had not supposed he had already got an answer when you said she would cost \$60,000; and do you not suppose he understood that he was buying for \$55,000 a vessel which cost \$60,000?

Answer. I do not know; I remember I said to him that she was entirely new, and that she was seven feet wider than the twenty-three gunboats which were being built; that she was larger than the gunboats every way, and that I would sell her with boilers and machinery complete for what the hull of a gunboat cost.

Question. Then, if Mr. Morgan thought you told him that she cost \$60,000, he is laboring under a mistake?

Answer. Yes, sir.

* * * * *

Question. Did you sell that vessel to the government?

Answer. Yes, sir.

Question. At what price?

Answer. At \$55,000.

Question. Where did you effect the sale?

Answer. I offered her in Washington directly to the Secretary of the Navy, and a few days after my last offer to the Secretary of the Navy, Mr. George D. Morgan bought her of me on behalf of the government.

Question. Where were you when he effected the trade?

Answer. At Mr. Morgan's office.

Question. Where was the ship at the time?

Answer. She was at Washington or on her way home.

Question. What personal examination did Mr. Morgan make of her?

Answer. He went on board of her with Constructor Pook when she arrived here.

Question. Before the trade was closed?

Answer. The negotiation was commenced two or three days after.

Question. Did you go to Washington more than once upon that business?

Answer. Yes, sir; half a dozen times upon that trade and others.

Question. Were you there more than once upon that trade?

Answer. I cannot say that I really went once upon that trade alone.

Question. How many times did you come to New York upon that business?

Answer. I do not remember to have come more than two or three times.

Question. Did anybody go with you to Washington to help you?

Answer. Nobody.

Question. Did no one help you when you got there?

Answer. No, sir; not that I know of. I had no help.

Question. Did you have any aid here?

Answer. No, sir.

Question. The trade was the result entirely of your own efforts.

Answer. It was.

Question. Exclusively so?

Answer. So far as I know.

Question. You had no aid of anybody else, did you?

Answer. Not that I know of. I do not know that I can say that I had no aid at all, for I do not know but I had considerable, because I told half a dozen men in Washington that I wanted to sell the vessel.

Question. You employed nobody.

Answer. I did not.

Question. Did you pay anybody anything?

Answer. Not a dollar.

Question. Did you pay Mr. Morgan anything?

Answer. I paid him a commission.

Question. How much?

Answer. Two and a half per cent.—the regular ship brokerage.

Question. Was that all you paid out toward effecting the sale of the vessel?

Answer. Everything, except my personal expenses.

Question. Is what you paid Mr. Morgan, and your expenses here and there, all you paid?

Answer. That is all.

Question. And what you received, after deducting these sums, is net to the company or yourself?

Answer. Yes, sir.

Question. The remainder was the net proceeds of the ship?

Answer. Yes, sir.

Question. You had nobody's aid in selling the vessel?

Answer. I would not say I did not.

Question. I mean aid, for which you paid?

Answer. None whatever.

Question. Did you not tell the company that you had to pay money to obtain influence to sell the ship?

Answer. I told them it cost a great deal of money to go to and from Washington.

Question. I ask you if you did not tell them that you spent a great deal of money to obtain the influence of political men to aid you in selling the vessel?

Answer. I do not recollect of saying any such thing.

Question. Did you say anything that would lead to that inference?

Answer. Not that I recollect.

Question. Did you not tell them that you had to pay sums of money for aid to procure the sale of the steamer?

Answer. I told them it cost sums of money.

Question. Did you not tell them what I have said?

Answer. No, sir.

Question. Did you tell them that there were men in Washington who made it their business to do such things, and that you could not get along without paying them?

Answer. I might and I might not; I have frequently said that.

Question. Did you not tell them that, as an explanation of the reason why you charged them \$8,000?

Answer. I do not recollect of telling them any such thing as that?

Question. Did you not tell them that there were ex-members of Congress who were in the habit of charging for their influence, and that you were obliged to pay them?

Answer. I remember that a remark of that kind was made when the matter was under discussion.

Question. What was the remark that did come up?

Answer. I think I made the remark that a Massachusetts ex-representative was in the habit of assisting his constituents and charging them a fair commission. I did not have an introduction to him.

Question. What occasion had you to make that remark in connexion with the sum you charged?

Answer. Because some of them thought I charged too much.

Question. And as an explanation of that you made the remark?

Answer. Yes, sir.

Question. What occasion had you to make an explanation if you had not paid a cent?

Answer. I claimed to step into the position of an ex-member and effect the sale.

Question. Was that the way you intended to be understood by those men—that you were charging for your great influence?

Answer. Yes, sir, and for my efforts.

Question. Like the distinguished ex-member of Congress from Massachusetts?

Answer. That is exactly it.

Question. Did you speak of a distinguished ex-member of Congress from Ohio who was in the habit of doing that thing?

Answer. I did not know of any such.

Question. You simply illustrated the manner of your charging by alluding to the fact that there was a distinguished ex-member from Massachusetts who charged a commission for his services?

Answer. Yes, sir."

But it is to the arrangement between the Secretary of the Navy and Mr. Morgan, under which the compensation of this agent for the services thus rendered, the committee desire especially to call attention in this connexion, as of a character, whether it be in the stipulated amount received or in the mode of payment, alike indefensible and reprehensible. That arrangement is a system of commissions, usually two and a half per cent. of the purchase money paid for each vessel, and one under which Mr. Morgan received, as compensation, during the period of seven weeks previous to the 6th day of September, when this testimony was taken, the enormous sum of \$51,584, as admitted by himself before the committee. When this testimony was taken, information of its extraordinary character and import was communicated to the department, in the hope that an abuse so glaring, when pointed out, might be corrected. Yet, notwithstanding the department became thus possessed of the information that its own agent was, by this system of commissions, amassing a private fortune, the committee have been surprised to learn from a recent communication from the Navy Department, furnishing them with the number and prices of vessels purchased by Mr. Morgan for the government since said 6th day of September, that the cost of those thus purchased by him amounts, in the aggregate, to the sum of \$1,736,992. If he has received the same rate of compensation since as before that date, there must be added to the sum of \$51,584, paid him before that date, the further compensation of \$43,424 for services rendered since, making in all the sum of \$95,008, paid to a single individual for his services as agent of the government since the 15th day of July, a period of four and one-half months.

Mr. Morgan insisted in his testimony and seemed to believe that this large compensation was received by him not from the government, but from those who sold their ships to the government, and was therefore justifiable. But the committee can admit neither the premises of Mr. Morgan nor the conclusion he draws from them. In point of fact this large compensation was paid, in the end, out of the Treasury of the United States; but if it had been paid by those who dealt with the government, it would have been equally indefensible. No department of this government has the right to place its agents in a position, or clothe them with the power, under pretence of compensation for services rendered the government itself, to take from the pockets of patriotic citizens coming forward with their means to the support of the government in the day of its trial, such a sum of money as is here found to have been diverted into the pocket of Mr. Morgan. No citizen can justify any such attempt to convert the public necessities into an occasion for making private fortunes. If it be true that this agent of the government is paid by those who deal with it, the committee are at a loss to understand upon what principle prevailing in business or morals the agent of one party is thus put in pay of the other party. It is worse than an absurdity; it is directly demoralizing and injurious to the public service.

But the pretence that this large amount of money in the form of

compensation for services rendered the government, twice as great for two months as the President's salary for a year, and as much for five months as the entire salary for a presidential term, was taken out of those who dealt with the government, and not out of the party for whom the services were rendered, so persistently urged in justification, has no foundation in fact. It is but so much added to the cost of the ships purchased, and has been paid out of the Treasury of the United States. It has been distributed in the form of a small commission over millions of dollars, and in some instances was scarcely perceptible ; but its presence was no less real, and its aggregation no less enormous. In form of words, as stated by Mr. Morgan in his testimony, the arrangement was this : He was employed by the Secretary of the Navy to perform this service, with the express stipulation that he was to receive no fixed salary to be paid him by the government for the services he was to render it, but he was to charge a commission of two and a half per cent. on all his purchases—the usual New York brokerage. He was beforehand to inform and did inform every one with whom he dealt of this arrangement, and that his commission must be deducted from the amount paid for the ship, or, as Mr. Morgan preferred to state it, must be paid by them after the government had paid for the ship. In this way every one was notified before he fixed his price, that out of that price a given sum was to be deducted to pay the agent of the buyer ; that is, to the sum he was actually to receive for his ship, he must add the sum he is to pay the agent of the purchaser for buying it. It follows of necessity that in bringing his mind to the lowest sum, he is willing to accept as an equivalent for his ship, he must *add* that which he is to pay back to the agent of the buyer, else he doesn't get that equivalent. No amount of subtle reasoning, by which it is attempted to sustain this anomalous arrangement, can do away with this practical result. If testimony were needed on this point it may be found in that given before the committee by many of those with whom Mr. Morgan dealt, though with some of them, in their anxiety to make sale of their vessels, a small commission seemed of little or no account. The compensation paid to Mr. Morgan for the purchase of a single vessel, a negotiation of a few hours or days at most, sometimes amounted to more than \$5,000. There was no seller, when asked the question, who failed to say that he would as soon have sold his ship to the government for \$5,000 less, without commission, as to have sold it for the price agreed upon and then paid that sum to Mr. Morgan. Mr. Woolsey, who sold him ships, testifies as follows, page 292 :

“Question. Who, in fact, pays the brokerage, by the mode which Mr. Morgan has adopted? Does not the seller, in selling, take into consideration the amount he has to expend in selling the vessel?

Answer. Yes, sir ; I suppose he does in a measure.

Question. Is not informing you beforehand that you would have to deduct two and a half per cent. commissions from the purchase money equivalent to informing you beforehand that you must add two and a half per cent. to your price?

Answer. That must be the effect of it.

Question. Then is not the government, in fact, paying two and a half per cent. more for these vessels than they would pay if they had employed a man at a fixed salary?

Answer. It appears so to me. I think I would have been just as willing to have sold my vessel to the government for two and a half per cent. less as I would to have sold it for what I did and pay two and a half per cent. to Mr. Morgan.

Question. Is the transaction, in point of fact, anything less than the government paying Mr. Morgan two and a half per cent. upon the purchase price of each one of those vessels?

Answer. I consider that it is just that.

Question. When this information is given to the ship seller beforehand is it not the inevitable effect to put two and a half per cent. more upon the price of the vessel than would be put upon it if that percentage was not to be paid to Morgan?

Answer. I think such is the effect upon the seller."

Indeed Mr. Morgan himself admits this to be the effect upon the seller when he states that, in very close cases, where he was trying to get a vessel as cheap as possible, he would, as an inducement to the seller, offer, in some instances, to give up his own commission in whole or in part. On pages 274-5 he thus unconsciously refutes the very argument upon which this strange arrangement has been made for the pay of a government agent.

In one or two of my cases it, (the commission,) has been waived altogether.

"Question. What do you mean by that?

Answer. I mean to say that in some cases of the purchase of vessels by me, where the owner has asked what I thought to be a large price, and where the negotiation was a close one, I have, for the purpose of buying the vessel cheap, given up my commission to him.

Question. Did your rule vary, and did you sometimes buy for larger commissions than at other times?

Answer. No, sir; but some persons are harder to buy of than others.

Question. Did the commissions vary in the purchase of different vessels at the same price?

Answer. The usual ship commission is two and a half per cent., which is always paid by the seller. In the case of certain vessels which I was instructed to purchase, the price asked for which I considered to be very dear, I have been able to get off a very considerable deduction by agreeing myself to make up a part of it.

Question. That is, you saved the government the amount of your commissions.

Answer. Yes, sir; and more than that."

Mr. Morgan had no responsibility for the disbursement of a single dollar on account of these purchases, for the parties and their papers were all referred to the department at Washington for examination,

ratification, and payment, the moment the price had been fixed. He executed no bond, and could claim compensation for no unusual responsibility or liability.

It is no answer that, notwithstanding this exorbitant compensation, amounting in itself to a fortune, was paid to him, nevertheless his skill and sagacity have saved the government large sums in buying at very low prices. The department would have been entitled to the full benefit of all that skill and sagacity had he been employed, like other government officers, at a fair fixed salary. Such, as the testimony shows, would have commanded the best talent of the city of New York. A compensation at the rate of \$300,000 a year was not necessary to secure fidelity. Besides, if the method of payment by commissions had any effect upon the agent, it is apparent that the higher the price paid for ships the greater the compensation. That system of payment to an agent, which makes his interest identical with that of the seller, and antagonistic with that of the government itself, whose agent he is, and which says in effect to him "pay \$10,000 more than a ship is worth and \$250 shall be the reward of your infidelity," has no foundation in either common sense or common prudence. It is not believed that Mr. Morgan ever yielded to this temptation to which the vicious principle regulating his compensation exposed him. It is this principle, and the enormous private fortune it was adapted to secure out of a great public necessity, which the committee feel called upon to condemn in the strongest terms—an arrangement entered into between the Secretary of the Navy and Mr. Morgan, by which the enormous sum of more than \$95,000 has been, by this indirection, taken from the treasury of the United States, and given as compensation to a single individual for services, which, however faithfully rendered, could have been secured for an amount insignificant in comparison with the sum actually taken.

The committee do not find in this transaction the less to censure in the fact that this arrangement between the Secretary of the Navy and Mr. Morgan was one between brothers-in-law, a family arrangement which, in the opinion of the committee, reflects great discredit upon the public service.

THE PURCHASE OF ARMS.

The extraordinary demand for arms, resulting from the conspiracy to overthrow the Union, has resulted in extraordinary expenditures, and exciting the cupidity of large numbers of persons both in Europe and America, has opened up a system of unprecedented speculation. The government has been the victim of more than one conspiracy, and remarkable combinations have been formed to rob the treasury. The profits from the sale of arms to the government have been enormous, and realized, too, in many instances, even by our own citizens, through a system of brokerage as unprincipled and dishonest, as unfriendly to the success and welfare of the nation, as the plottings of actual treason. The system adopted at an early moment for the purchase of arms naturally encouraged this result. The government and the several States entering the market in active and direct competition, stimulating, it is true, to some slight extent and temporarily

the importation and manufacture of arms, but scarcely compensating for a general profligacy in the expenditure of the public treasure, and the corruption of the public morals.

Since the adjournment of the extra session of Congress, the War Department is understood to have authorized the several States, and to have recognized the right in the generals commanding the several divisions of the army, to purchase arms, to be paid for by the general government, creating an unwise and ruinous competition against itself, without increasing the number of arms in the market.

The committee after examining into the effect of this system of competition, as early as the last of September called the attention of the War Department to the subject, and suggested as the only effective remedy that the purchase of arms should be confined to a single bureau, and the several States notified that the general government would not pay for arms purchased in competition with itself. The committee is informed that this policy has been adopted, a most desirable result, though its earlier adoption would have saved millions to the treasury, and at the same time, by placing the arms purchased under the control of the government, would have secured their use at points where the public safety was the most in peril. On this subject, Major Hagner, the experienced ordnance officer at New York city, who was engaged in the purchase and inspection of arms for the government, testified as follows in answer to the question whether the agents of the several States were aware of his being in New York city, as the agent of government for the purchase of arms :

“The agents of General Frémont, of the governors of States, of cities, of Union Defence Committees, of colonels of regiments, and of generals of our army, are all here. I may be in treaty for arms, and the first thing I hear the arms are sold to some agent. Some men who hold arms, I sometimes think, are rather disposed not to have a *bona fide* sale. They like to keep the arms in the market in order to advance the price. I think they have been gambling in arms just as they do in stocks.

Question. Has the War Department been aware of this state of things for the last two months?

Answer. Yes, sir. I have repeated it to them, but their anxiety to get arms is so great that they seize every seeming chance that offers.

Question. One single agent occupying, for instance, your position would, of course, be able to make these purchases to the same extent that fifty agents could, to the extent of the capacity of the market, and at a price more satisfactory to the government?

Answer. Yes, sir; evidently. I have represented the state of things more than once to the department, and I have asked them to constitute a bureau of purchase, and I have begged that the States should be asked not to send agents to purchase. As the United States will have to pay eventually, I have asked that we should have some concert together, that this state of things might be stopped.

Question. The number of the agencies does not increase the capacity of the market to produce arms?

Answer. Not at all.

Question. Are not all the arms purchased for the government, or the various States, or for municipalities, purchased in this city?

Answer. Yes, sir; they all belong here. If an officer is ordered to purchase in Boston, the first thing I know the arms that are here are telegraphed for to be sent to Boston; and so it is as to Philadelphia.

Question. So that the whole of this business would be within the control of a single agent of the government?

Answer. Entirely so.

Question. Upon a rough estimate of the purchases of arms by the government, by the States, by cities, what would have been the saving?

Answer. Suppose we have now, Union defence men and all, half a million of men under arms. The United States owned at the time of the battle of Bull Run, not including those which fell into the hands of the south upon the breaking out of hostilities, probably 200,000 arms—that would leave 300,000 more to be purchased. I think there have been very few purchases by States at less than \$10 each, and the mass of purchases have been at a much higher rate. For Colt's arms the government gave from \$45 to \$47, and for Sharpe's arms from \$35 to \$40. For Colt's pistols I gave \$19, and the chances are that if they were bought elsewhere, and not from first agencies, a higher price would have to be paid. Every mercantile agency insists upon the manufacturer giving him a certain part of his work, so that if the government makes a bargain with the manufacturer it does not get all the arms of that establishment. I secure all those which come to the mercantile agencies and pay \$19. The government, I think, gives \$20 on account of their stricter inspection. Remington's pistols cost \$15, and Whitney's \$16 80. I think, therefore, that you ought to estimate that 300,000 arms multiplied by \$12½—the average cost say—would give the total expenditure of the government for that branch of arms; and upon that I should think, as I said before, there might have been a saving of thirty or forty per cent.

Question. What kind of an arm is it that cost so low a sum as to make the average cost only \$12 50?

Answer. Some foreign smooth bores and United States smooth bores. The government has bought but few rifles. This difficulty found an exhausted market. The south had thoroughly sifted the country of all its arms, and we purchased everything which we could get."

It is presumed that, in view of the past experience, the government will adhere to its present policy, and that the several States will see the wisdom of permitting the general government to manage this department of the public service, in which competition cannot be beneficial to any State, because it is inevitably prejudicial to the general interest, in which the interest of every State is involved.

The general government, and the government of the several States, must be impressed with the overwhelming necessity for the most rigid and severe economy in every department of the public service. Every avenue by which the government is plundered must be closed up. The people, who are making every sacrifice to sustain their government, demand that the schemes and combinations of dishonest speculators to rob the treasury, under the miserable pretence of patri-

otism, shall be promptly crushed out. A dishonest scheme of speculation, based upon the necessities of the government, and an open assault on the integrity of the Union, are only different forms of treason—the former not the less base because it is masked under the pretence of a public service.

In numerous cases which have come under the observation of the committee the price paid for arms was inexcusably exorbitant. In some instances the arms were worthless, and in others exorbitance in price was coupled with other evidence of a purpose to defraud the government.

But the committee have not deemed it their duty to call the especial attention of the House except to the following transactions :

The purchase of the Austrian muskets.

When General Frémont was in New York city, prior to his joining his command in the west, his attention was called to a lot of Austrian muskets, (25,000,) which were submitted to Major Hagner for inspection, in reference to which he testifies as follows:

“In relation to the purchase of arms by General Frémont I am entirely ignorant as to details. My own business has been so absorbing that I have not had a moment's time to devote to an investigation of those transactions. Of my own knowledge, I know nothing of the prices paid by General Frémont. I know the character of a lot of arms which have gone out west to him.

Question. Do you know of whom they were purchased?

Answer. They were purchased of a firm in Broadway by the name of Kruse, Drexel & Schmidt. The firm are dealers in other matters, but not in arms. The arms were assigned to that firm by some friend abroad, and the price was as low as one could hope to get arms for at all when they first came here. They were offered to me at that time—General Frémont was here then—and I think the price was \$5 50. The arms were Austrian altered flint-lock muskets, requiring a special ammunition. The calibre was $\frac{7.0}{100}$ of an inch; but the principal objection to them was that they required this special ammunition. The arms were old, and had been in service. The special ammunition is one that is mostly out of use, and the military men of our country and of France have objected to it on the ground that it required percussion powder to be stored in magazines with the ordinary powder. The old flint pan in the Austrian arm was preserved. At first they took out the flint from the old hammer, and screwed in a nose of iron, which went down to the bottom of the pan, and there struck a tube which contained percussion powder; this tube was stuck into the old vent. The Austrians thus altered their arms at less expense than they could put in the percussion nipple. In these arms they had retained what we call the battery—it was the piece of plate which was struck against by the flint to make fire—and it still covered the old pan, and in it there was a piston which the hammer struck on top and forced down upon the priming tube. It was an arm of peculiar construction, which would require a special drill.

Question. Do you know whether those arms have been purchased since; and if so, by whom, and at what price?

Answer. I have understood that those arms were sent out to St. Louis by Adams's Express Company, upon order of General Frémont. From whom the purchase was made, what number, and at what price, I do not know.

Question. They were offered to you at \$5 50?

Answer. Yes, sir.

Question. How many were there?

Answer. Frémont at that time agreed that they were not a suitable arm for service. The man said he had twenty or thirty thousand, I do not remember which, and that he was expecting enough more to make up a complement of fifty thousand.

Question. At the time when General Frémont was here was he advised of the price?

Answer. I am not quite certain as to that.

Question. Was there not something said in regard to the price?

Answer. I think so, but I cannot state positively. A sample of them was in his possession at the Astor House. I said to him "General, you see the trouble about these arms;" and, after explaining, he at once said, "They won't answer." When he reached Missouri he telegraphed back to me somewhat in this wise: "Arms, arms, arms! send us arms—anything." I had ordered forward all that I could obtain—they were then on their way—and could not buy any more at the moment. Subsequently General Frémont telegraphed to me about supplies once or twice; but soon I heard of agents here purchasing for him.

Question. As an ordnance officer yourself, and even with that despatch in your possession, you did not consider it right to purchase those arms?

Answer. I did not. I understand that those arms are now at St. Louis, that they have not been issued, and that they are trying to alter them. Frémont found that they could not be used."

In reference to these arms, John C. Kruse, one of the consignees of them, testifies as follows:

"Question. Have you had any business in fire-arms?

Answer. Yes, sir; I had a consignment of 25,000 muskets, which I sold to the government.

Question. Were they consigned to you individually, or to your firm?

Answer. To our firm.

Question. With whom did you make the bargain for their sale?

Answer. With General Frémont. A sample was shown to him when he was here at the Astor House. He left, and Mr. Schmidt, my partner, went to Washington. In the meantime I got a despatch from General Frémont making an offer for half the lot. We telegraphed to him that we would not sell them to him unless he would take the whole lot. I first asked \$7 50 apiece. He said he would take 12,000 of them at \$6 50. We telegraphed him that he might have the whole lot at that price. He replied that he would take them, and they were shipped immediately.

Question. Have you got your pay ?

Answer. Not yet.

Question. What kind of arms were they ?

Answer. Plain Austrian muskets.

Question. An altered musket ?

Answer. No, sir; a musket with a percussion lock.

Question. Were they muskets which had been used ?

Answer. Twelve thousand had been used, and 13,000 were new.

Question. What was the invoice price to you ?

Answer. The old ones were invoiced at \$2, and the new ones at \$2 40, and the expenses.''

These muskets, manifestly, are arms rejected from the Austrian service, and requiring an ammunition entirely different from that used in our service; were manifestly worthless in that condition; and pressing as was the necessity for arms in the west, the committee have not been able to find that any of them are in the actual use of the army, although after reaching the St. Louis arsenal some of them were distributed to the army. Captain Callender, the ordnance officer at St. Louis, was of the opinion that the arm was worth altering. One of them, altered and rifled by Miles Greenwood & Co., of Cincinnati, Ohio, at a cost of \$4 50, and another by Messrs. Tyson & Co., of Philadelphia, at \$6 50, was exhibited to the committee. They had been inspected by Captain Callender, and ten thousand of them were said to have been sent from St. Louis to the foundry of Greenwood & Co., of Cincinnati, for alteration and rifling, at a cost of \$4 50, or, as the committee were informed at Cincinnati, at a cost of \$4 65 each. The policy of this expenditure, even in view of the pressing demand for arms, is exceedingly questionable. Captain Granger, of the third regiment of United States regular cavalry, now in command at the St. Louis arsenal, says:

"It is my opinion that the Austrian musket, as sent to the arsenal, is the most indifferent arm I have ever seen; as to the value of the arm I know not what to say, as that depends so much upon the necessity for them; it occurred to me, at the time I first examined the arm, that it was an old condemned and discarded arm; the arm which the government has been manufacturing for the last five years or longer is, in my opinion, worth all of these you could bring over the ocean; the combined arrangement of one of these Austrian muskets and its priming apparatus is one of the most clumsy I have ever seen; the primer, which comes with it, is an inconvenient arrangement; in appearance it is a bit of wire with a still smaller wire attached by a loop; the inconvenience of the arrangement is that they become tangled up, and the soldier in taking them out of the pocket or pouch would pull out half a dozen in all probability; and, furthermore, if their fingers were cold it would be a difficult matter to put the primer in its place, and it might take a minute or two.

Question. Is there any difficulty in the fact that there must be a special ammunition, such as cannot be used with any other gun ?

Answer. There is, as the primer is not made in this country, but we have to send to Europe for them; I remember hearing Captain

Callender say, when these guns first came here, that he had got so many thousand muskets, but that they had forgot to send the primers; it is, in other respects, an awkward and clumsy gun, though pretty strong and pretty well made."

It is probable that the arm had been rejected from the Austrian service and purchased on speculation, and sent to this country in view of the extraordinary demand for arms. The arm in the condition in which it was purchased will certainly never be used by our army, and when altered as proposed its inferiority to other arms which are rapidly accumulating, together with the almost universal prejudice of our soldiers to altered arms, will almost certainly exclude it from the army. The amount claimed for the arms, including the special ammunition, is about \$166,000. The committee are of the opinion that the arm will never be of any service to the government, and will never be used except in some case of unforeseen and extraordinary emergency.

The purchase of the arm was an act of manifest improvidence, and the less excusable because the arm had been disapproved of, even at a less price than that paid by General Frémont, by the experienced ordnance officer at New York. The immediate necessity for arms can scarcely be considered as furnishing an excuse, for the arm was practically useless until altered, and to effect that, delay was inevitable; and the purchase was made without any examination as to the practicability of improvement by alteration. The committee found a large number of these arms at Cairo, and, notwithstanding the urgent necessity for arms at that point, whole regiments, even on the eve of the battle of Belmont, being almost destitute of arms, these arms were left in the boxes in which they were shipped from the arsenal at St. Louis. Improvidence and disregard of reasonable economy on the part of the agent of the government on the one hand, and a spirit of ruthless speculation on the other, have made this contract, and it is a question of public justice how far it shall be carried into effect. The committee deem it their duty to present the facts for the consideration of the House without any special recommendation.

The purchase of the Hall carbines.

Another transaction in the purchase of arms, to which the attention of the committee has been directed, is the purchase of five thousand of Hall's carbines by General Frémont, through Simon Stevens, of Pennsylvania. This transaction is, in some respects, of the same character with the purchase of the Austrian muskets, but much more remarkable in illustrating the improvidence of gentlemen prominently connected with the public service, the corrupt system of brokerage by which the treasury has been plundered, and the prostitution of public confidence to purposes of individual aggrandizement.

In the month of June last Arthur M. Eastman, of Manchester, New Hampshire, purchased of the Ordnance Bureau five thousand four hundred Hall's carbines, at \$3 50 each, and, after a slight alteration of the arms, at a cost of from 75 cents to \$1 25 on each arm, sold five thousand of them to Simon Stevens for \$12 50 each, who imme-

diately sold the entire lot to General Frémont for \$22 each, General Frémont probably laboring under some misapprehension as to the nature of the purchase of the arms. The committee propose to present the transaction somewhat in detail.

The sale of these arms by the War Department to Mr. Eastman, at a time when arms were in such extraordinary demand, is remarkable. Our government was purchasing, at high prices, arms rejected from the service of different European nations. If a general commanding a division of the army was at all excusable for purchasing twenty-five thousand muskets rejected from the Austrian service, at \$6 50 each, on the ground "of a pressing necessity," it is impossible to justify the sale of the Hall carbines, if they were of any value whatever, or capable of being made of any value by alteration.

These arms seem to have been sold privately, and without inviting any competition, and sold, too, for an almost nominal price. The sale was made by order of the Secretary of War on the recommendation of the Ordnance Bureau. No government that ever has existed can sustain itself with such improvidence in the management of its affairs. One agent of the government sells these arms at \$3 50 each, in the midst of a pressing demand for arms, and, a few weeks afterwards, and without any increase in that demand, the same arms, slightly altered, are re-sold to the government, through another agent, for \$22 each, the government losing in so small a transaction, if permitted to be consummated, over ninety thousand dollars. Or, inasmuch as all the Hall carbines owned by the government were sold to Eastman, and of course embraced the 790 bought by Mr. Alexander Cummings, as the agent of the War Department, for \$15 each, the case as to *these* would stand thus: They are condemned and sold by the government at a merely nominal price; afterwards, in April last, an agent of the War Department purchases them for the government at \$15 each; in June they are sold to Eastman by the War Department for \$3 50 each, and in August they are purchased by General Frémont for the government at \$22 each. Whether buying or selling, the liberality of the government is equally striking! General Ripley is a gentleman of large experience and inexorable in the performance of his public duties. The arm had been rejected from the public service as practically worthless years ago, and in his judgment no alteration could improve it; if so, the re-purchase of the arm is without any possible excuse; if otherwise, the original sale of the arm is utterly indefensible.

It appears that Mr. Eastman suggested to General Ripley the alteration of the arm before he made the purchase. He testifies on that point as follows:

"In June I knew that the government had a large lot of Hall's carbines on hand, which I understood were a very good arm. I made application to General Ripley to alter them so as to make them a modern fire-arm.

Question. Is General Ripley at Washington?

Answer. Yes, sir; at the head of the Ordnance Bureau. He de-

clined to have the alteration made; and then I proposed to buy them, and did so.

Question. What alteration did you suggest to him?

Answer. The arms were made along at different times for a number of years when breech-loading arms were adopted by the government merely on account of the convenience of loading at the breech. After that the new modern breech-loading fire-arm came up, wherein the chamber where the charge is inserted is larger than the barrel beyond it, thereby shutting off the escape of gas and getting a greater distance of range. I proposed to alter those arms in a similar way, so as to make them as efficient as the modern arm. General Ripley said that their experience was that when they altered anything they made it worse than it was before, and therefore he declined to have any alteration made.

Question. Did you purchase the arms?

Answer. I did.

Question. About what time?

Answer. Some time in the month of June.

Question. In what quantity?

Answer. I purchased whatever the government had at the different arsenals—supposed to be about six thousand, but I have received only about five thousand four hundred.

Question. What price did you pay, or agree to pay?

Answer. Three dollars and a half each, taking them as they were—good, bad, and indifferent, of every quality and condition.

Question. Did you subsequently sell those carbines to the government or to other parties?

Answer. I sold them to an individual.

Question. About what time?

Answer. In July.

Question. To whom?

Answer. Mr. Simon Stevens, of this city, was the chief negotiator."

In the judgment of the committee, under the circumstances, the arms ought not to have been sold. This, however, was a question of expediency. The committee does not doubt the integrity of purpose of General Ripley, but General Frémont was not, as a commanding general, authorized to purchase the arms.—(See act of February 8, 1815, organizing the Ordnance department.)

There is no evidence of a want of good faith on the part of Mr. Eastman, except an unfortunate eagerness to speculate on the misfortunes of the country.

It is not *entirely* clear in what character Mr. Stevens made the purchase, whether for himself or for General Frémont for the use of the government. We deem that an important inquiry. Mr. Stevens made the purchase in person in New York city, and at once made the sale to the government. The sale to the government is thus stated by Mr. Stevens in his testimony before the committee:

"I have sold to General Frémont, for the United States government, 5,000 of North's rifled carbines, made under Hall's patent, at \$22 each.

Question. Of whom did you procure those arms?

Answer. I got them from J. Pierpont Morgan, to send to General Frémont.

Question. About what time was this?

Answer. They were offered to General Frémont, by telegraph, in these words:

“NEW YORK, *August 5, 1861.*

“I have 5,000 Hall's rifled cast-steel carbines, breech-loading, new, at twenty-two dollars, government standard, $\frac{5}{16}$ bore. Can I hear from you?

“SIMON STEVENS.

“J. C. FRÉMONT,

Maj. Gen., Com'g Dep't of the West, Cairo, Ill.'"

In reply to this offer I received the following despatch from General Frémont:

“HEADQUARTERS WESTERN DEPARTMENT,

“St. Louis, August 6, 1861.

“I will take the whole 5,000 carbines. See agent Adams' Express, and send by express; not fast freight. I will pay all extra charges. Send also ammunition. Devote yourself solely to that business to-day.

“J. C. FRÉMONT,

“Major General Commanding.

“SIMON STEVENS, *New York.*”

Question. What understanding, if any, previous to this despatch which you sent to General Frémont, had you with him in reference to the purchase of arms?

Answer. None whatever.

Question. Were you personally acquainted with General Frémont?

Answer. I was.

The arms were placed under the control of J. Pierpont Morgan to secure him the payment of \$20,000 he had advanced to Stevens. Mr. Hubbard, mentioned in the testimony, was acting as a broker in the transaction. It would seem that Mr. Stevens, on the 18th day of August, became, in an informal way, an aide-de-camp of General Frémont. In his testimony he says :

Question. Were you acting aide-de-camp to General Frémont at this time?

Answer. Yes, sir; from the 18th of August, under a verbal communication made to me by General Frémont's private secretary, tendering me the position as aide-de-camp with the rank of major.”

In his testimony Mr. Stevens disclaims having acted as an agent or officer of the government prior to the 18th of August, yet the evidence would lead to a different conclusion. Morris Ketcham, of New York, who had advanced money to Mr. Stevens, in connexion with J. Pierpont Morgan in this transaction, testifies as follows with reference to the security he held for his advances :

“Question. How much did you advance?”

Answer. I should think between forty and fifty thousand dollars.

Question. What security did you have?

Answer. I had none except that which was held by Mr. Morgan, which was this authenticated document.

Question. What constituted that document?

Answer. A telegraphic despatch, and, I believe, a letter from Gen. Frémont to Mr. Stevens, directing him to buy a certain number of carbines, which he had offered to Frémont. In the first place, there was a telegraph from Mr. Stevens to Frémont, stating that he could furnish him with so many arms; to which Fremont replied, “Purchase and forward immediately.”

Question. Were there any other documents?

Answer. I think there was a letter also.

Question. You advanced upon that draft, and hold those papers.

Answer. Mr. Morgan holds subject to me, when he gets his pay from the government.”

The terms of this brief despatch, “Purchase and forward immediately,” would seem to indicate the agency of Mr. Stevens. General Frémont manifestly understood from Mr. Stevens’s despatch that the arms were new and ready for delivery, when, in truth, at the time Stevens made the purchase, a part of these arms were still in the possession of the government and unpaid for, a fact of which he was necessarily informed, for he advanced the money to enable Eastman to obtain the arms from the government. Eastman in his evidence says:

“Question. Did you receive any portion of the payment from Mr. Stevens prior to the transfer of the obligation you had from Stevens and other parties to Mr. Ketchum?”

Answer. The government would not allow me to take any of the arms at any one place, unless I paid for the whole before taking any. At this place there were 1,000 arms in one body, which required a large amount of money, and Mr. Stevens made an advance to make this purchase.”

But the testimony of Major P. V. Hagner, the ordnance officer, is still more definite as to the relations of Stevens to the government. In speaking of General Frémont’s agents in New York city, and in answer to the question, “Do you know the names of those agents?” Major Hagner said:

“A Mr. Stevens was one of them. Adams’s Express Company told me that a Mr. Stevens had made a requisition upon them to send stores to General Frémont. Some time afterwards a gentleman introduced himself to me as Stevens, and said he was agent of General Frémont. I asked him if he had any credentials. He said he had, and would show them to me, and asked me if I had not heard of him. I told him then, and very plainly, that “I understood from the express office that a *Mr. Stevens* had asked them to send things to General Frémont, and that I had also heard from other sources that *somebody* claiming to be the agent for General Frémont had acknowledged or boasted that he had made a large amount of money by his agency.

I told him I cannot connect those two statements ; but as you ask me if I had heard anything of you, you will understand that, having heard these two statements, which I cannot put together, I must see your authority before I can have any official communication with you." He had not the authority with him. He called at my office, and met me two or three times afterwards, but never showed me his authority. He has met me occasionally, and inquired about ordnance stores, &c., and I have always given him all information in my possession. Recently I said to him, "You come frequently to me for information upon military matters, and do you recollect that once you promised to show me your authority from General Frémont?" He said he had not shown it to me, but that he had letters from General Frémont which he would show me, and he did show me letters of authority to him. He also showed me telegraphs. He stated that he designedly did not show me the authority, because I seemed to doubt his authority. I told him that I, as a public officer, had no objection to do what I could for the benefit of any other public officer, and if he would show me his commission from General Frémont I could deal with him freely, but that I could not now, though I had no objection to give him information I possessed, in the expectation that it was for General Frémont. I said, "All I ask is that you show me your authority as agent, so that I may know that you are equally responsible with myself for your conduct as a purchaser for the government." Upon those terms he stood out."

And again :

Major P. V. HAGNER recalled:

"Question. Are you acquainted with the Hall-North carbine which was altered by Marston under the direction of Mr. Stevens?

Answer. I have seen the arms.

Question. After that gun is altered by Mr. Marston, what, in your opinion, is its value?

Answer. Considering the emergency of the times, I should say ten or twelve dollars.

Question. Why is it not worth as much as the government is paying for the Enfield rifle?

Answer. The Enfield rifle has a longer barrel and a bayonet attached.

Question. Have these carbines no bayonets?

Answer. They have none ; the original cost of the arm was probably more than twelve dollars, but I know they were sold by the government, as an arm of faulty construction, for much less.

Question. What was the alteration to which they were subjected by Mr. Marston?

Answer. They were rifled, and the chamber at the breech enlarged, so that the ball would take the groove.

Question. Do you know whether General Frémont had any personal knowledge of the character of those guns, or of their cost?

Answer. I do not.

Question. Have you had any interview with this Simon Stevens at Mr. Marston's shop of late?

Answer. On Friday last I was at Mr. Marston's shop inspecting some arms he was engaged in rifling for me, and Mr. Stevens entered the office. We were talking of pistols which the agent of the State of Maine wanted when Mr. Stevens came in. After addressing me, he called upon Mr. Marston for one of those Hall-North carbines, which, he stated, had been spoiled in the rifling, but which would indicate the character of the work done upon the rifle by Mr. Marston. He had previously asked my opinion of the carbines. He then asked me what I thought was the value of them. I told him, as I have told the committee, I thought they were worth from ten to twelve dollars, and that as to my opinion of them, I had always liked the principle of the gun as a breech-loader—the advantage, in my mind, being that the cartridge is introduced in front of its seat instead of behind it. I stated, however, that the mechanism of the gun, and the old plan of loading it, had, no doubt, caused its rejection as a breech-loader. Mr. Stevens then said he was very glad to hear my favorable opinion of it, and that he would ask the committee to call me before them to put my opinion in evidence. He then said, “Now, since you like these guns, major, Mr. Marston has three or four hundred of these arms, and he will sell them to you.” He turned to Mr. Marston and said, “What will you sell those three or four hundred you have to the major for.” I made no response to his first remark, nor did Marston. I kept my eye upon Marston, Stevens standing by his side, and I heard Stevens say in a whisper to Marston, after asking the question, “Say eighteen dollars—say eighteen,” repeating it twice. I waited a moment to see whether Marston would act in collusion with him, but finding that he did not, and that he took no notice of what he said, I turned to Stevens and told him I had heard his whisper, and that I considered he had acted very improperly as professing to me to be a government agent, charged with the interests of the government; and that in consequence of his conduct I should feel bound to have no further official communication whatever with him. I then walked off. Marston followed me, and said to me, in a tone indicating strong feeling upon the subject: “Major, I beg you let me say a word to you before you leave. Mr. Stevens had no right to use my name in any such connexion as he has done. I do not own the arms in the first place, and in the next place I have never had any improper connexion with any government sale. I have never received a bribe or present, but only fair wages for fair work. With whatever has occurred elsewhere I have had nothing to do.”

Question. Did he say who was the owner of those guns?

Answer. No, sir.

Question. In what capacity did Mr. Stevens profess to be acting at that time?

Answer. His object in going there at that time, as he stated to Marston, was to get an arm for the purpose of bringing it before this committee.

Question. Mr. Stevens had represented himself to you heretofore as acting in some official capacity for the government?

Answer. On first introducing himself to me he stated that he was an agent of General Frémont.

Question. When was that?

Answer. I should judge it was in July some time.

Question. Subsequent to that, and for how long a time, did he represent himself as acting in that capacity?

Answer. The last time I saw him, prior to this, at Marston's, he called at my hotel. He then told me he had been appointed upon General Frémont's staff, and was to receive an appointment; and he showed me a letter in which General Frémont addressed him as "Major Stevens."

Question. As early as July he had represented himself as acting as agent for Frémont?

Answer. Yes, sir. He stated, in the first place, that it was an unfixed kind of a thing. It was a remarkable state of circumstances, so far as ordinary military arrangements go, and I so stated to him. When he first spoke to me upon the subject he said he was buying things for General Frémont, and when he had closed what he wanted to say I said to him, "This is all very irregular. If you are the authorized agent of Frémont I should have some assurance of it. I have no objection to giving you information as a private individual, but I can have no official intercourse unless you show me your credentials." But he never showed me his credentials.

Question. Did he state the character of his credentials?

Answer. He stated that he was to be on General Frémont's staff. That was in July."

The testimony of Captain Franklin D. Callender, ordnance officer at St. Louis arsenal, establishes the manner in which the transaction has been managed there, and the extent to which payment has been made.

"ST. LOUIS, *October 26, 1861.*

Franklin D. Callender recalled:

Question. Did you have an interview with Captain Turnley in regard to a transfer to your department of \$100,000 in money from the quartermaster's department in this city? If so, state the whole of that transaction.

Answer. As well as I remember, two or three days before the accounts which were exhibited as paid in my testimony the other day, Mr. J. T. Howard, who seemed to be, at least, a friend of General Frémont's, and at headquarters, came down to my office, and we went over to my quarters, as I thought we would be interrupted at my office. I think this account of J. Pierpont Morgan, referred to as paid in my testimony the other day, was made out by him at that time in writing. This I am not absolutely certain of, but such is my impression. I heard him say afterwards that it was made out from a draft of this amount of money, and, as well as I remember, I suppose I may have casually seen that draft, or I may have had it in my hands. I think the draft must have been signed by Mr. Stevens, but of that

I cannot be certain. I suppose the draft did not exhibit any charge for boxing or other charges, but was for the gross amount for the 2,500 carbines. Some bill may have exhibited charges for cost of boxing or other charges. I may have suggested that the account should exhibit the gross amount charged to the carbines, but of that I am not certain. I had no funds available at that time to pay this account, which was \$55,550 for the 2,500 carbines, as nearly as I remember, and as appears by a copy which I have. A day or two after that I received a telegraphic express to report myself at the headquarters of General Frémont. I went up there, and had an interview with Mr. Howard, and we went together down to Captain Turnley's quarters. Mr. Howard explained to me that, by the order or at the request of General Frémont, Captain Turnley would turn over to me \$100,000, with a view to paying, as I understood, certain amounts for arms. We saw Captain Turnley, and he turned over to me \$82,662 50, with which I paid the accounts referred to in my former testimony. Captain Turnley, as well as I remember, drew the checks for the amounts required, payable to my order, and I indorsed them.

Question. Will you state the connexion in which the name of Mr. Stevens occurs in this transaction?

Answer. The draft was drawn by Mr. Stevens upon General Frémont, and the reason Howard gave me why he wanted that particular account paid was, that he did not want to have that draft go back protested, and the same reason may have applied to the other two accounts.

Question. Who is J. T. Howard?

Answer. He is a gentleman whose acquaintance I made at General Frémont's headquarters. I think he represented himself as being a friend of General Frémont.

Question. Was he at the headquarters of General Frémont for any considerable length of time?

Answer. I think he must have been. I saw him there occasionally. He seemed to be interested in the arms which had been procured—not pecuniarily interested.

Question. Did you know Stevens?

Answer. I met Stevens after these accounts were paid. He came down to the arsenal, and I saw him there?

Question. Did he refer to the subject of these arms?

Answer. He referred to them, and had the boxes opened.

Question. How many of Hall's carbines were there in all?

Answer. 5,000.

Question. On what day did it appear that they were purchased by the government, if purchased at all?

Answer. It appears, so far as I know, by the date, August 7, 1861.

Question. Who purports to have sold them to the government?

Answer. According to the best information I have, J. Pierpont Morgan sold them to the government.

Question. Were they all included in one bill which was presented to you, or were there two bills?

Answer. I judge from these accounts that two different bills were presented, and that the arms were received at two different times.

Question. Did not both bills bear the same date?

Answer. Yes, sir.

Question. Upon what day was the bill for just 2,500 carbines, and nothing more, paid by you?

Answer. That bill was paid for by me on the 10th of September,

Question. Was there an order attached to the bill for the 2,500 carbines only, and were you directed by General Frémont to to pay?

Answer. Yes, sir.

Question. Will you furnish a copy of that bill, with all the evidences of its correctness and payment?

Answer. I will." It is as follows:

FORM No. 13.—*The United States to J. Pierpont Morgan, Dr.*

August 7, 1861.—2,500 Hall's rifled carbines..... \$55,550

These arms have been duly received.

F. D. CALLENDER, *Captain Ordnance United States Army.*

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, September 9, 1861.

The ordnance specified in the above account was purchased by my order for the troops under my command. Captain Callender, ordnance department, will pay the account.

J. C. FRÉMONT, *Major General, Commanding.*

SEPTEMBER 9, 1861.

Not paid for want of funds.

F. D. CALLENDER,
Captain Ordnance United States Army.

Paid September 10, 1861.

F. D. CALLENDER, *Captain Ordnance.*

ST. LOUIS, *Missouri, September 10, 1861.*

Received from Captain F. D. Callender, of ordnance, fifty-five thousand five hundred and fifty dollars, in full of the above account.

[Signed duplicates.]

J. PIERPONT MORGAN,

By his attorney, J. T. HOWARD.

Question. Will you furnish a copy of the bill for the other 2,500 carbines which have not yet been paid for?

Answer. Yes, sir; it is here.

FORM No. 13.—*The United States to J. Pierpont Morgan, Dr.*

1861.		Ordnance stores.	
August 7	2,500 Hall's carbines, at \$22		\$55,000 00
	5,000 screwdrivers, at 25 cents.....		1,250 00
	5,000 wipers, at 20 cents		1,000 00
	500 spring vises, at 35 cents		175 00
	500 bullet-moulds, at 50 cents		250 00
	125 packing boxes, at \$4		500 00
			58,175 00

I certify that the above account is correct and just, amounting to ——— dollars and — cents, ———, 1861.

The annexed-named ordnance stores have been received in good order.

F. D. CALLENDER, *Captain Ordnance United States Army.*

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, September 26, 1861.

The above ordnance was purchased by me for the troops under my command. Captain Callender, ordnance department, will pay the account.

SEPTEMBER 26, 1861.

Not paid for want of funds.

F. D. CALLENDER, *Captain Ordnance United States Army.*

This copy I have furnished is as near a copy as I can give the committee. It was taken merely as a memorandum to assist my recollection.

Question. Who has possession of the original?

Answer. I cannot tell; I suppose, of course, it must have gone to Mr. Morgan, or it may be in the hands of some agent for collection.

Question. To whom did you deliver it?

Answer. I cannot positively say, but most likely to Mr. Howard.

Question. How did it happen that General Frémont's name was not signed to the order of payment?

Answer. The payment had not been made, nor would it be paid until his order was attached to the order.

Question. How does it happen that his name is not attached to the order?

Answer. I can only say that the account was put into this shape to get it into the process of adjustment, according, I suppose, to the wishes of General Frémont and those about him.

Question. What conversation did you ever have with Mr. Stevens in relation to that last account for 2,500 carbines, and other articles therein named, amounting to \$58,175?

Answer. Mr. Stevens came to the arsenal and exhibited to me a letter from Captain Whiteley. That letter I have not been able to find. I understand the prices contained in that bill for the items of screwdrivers, vises, bullet-moulds, &c., were taken from prices named in that letter, and as the prices at which the government had originally sold the same articles. Something was also said in the letter about boxes for which the government had made a certain charge. Those items were included in the account on the exhibition of that letter, and agreeably to the wishes of Mr. Stevens.

Question. Then you saw Stevens before this account for \$58,175 was made out?

Answer. I am not sure. I think it may have been partly made out, and that it still remained in my custody.

Question. What interest did Stevens seem to have in the transaction?

Answer. I can hardly tell. I understood he was a member of General Frémont's staff, and that he was making purchases by the general's order."

The connexion of Mr. J. T. Howard with this business has not

been disclosed, nor does the reason clearly appear why General Frémont should so press the payment of the \$55,550 to J. Pierpont Morgan for the one-half of these guns, as to require for that purpose a diversion of funds from the quartermaster's department, against which debts to the extent of millions were then pending and unpaid. Stevens seems to have drawn a draft on General Frémont for the money, which the General and his friend, Mr. J. T. Howard, did not wish to "go back protested." If Stevens was acting as the agent of General Frémont the draft was all right. If J. Pierpont Morgan was the party actually selling the arms to the government, it would be difficult to explain Stevens's connexion with the draft, except as the general's agent.

In the voucher for the payment of the \$55,550, General Frémont certifies that the ordnance specified in the account was *purchased by his order*. This is only correct if Stevens made the purchase by order of General Frémont. If so, he cannot in person, or through J. Pierpont Morgan, become the seller of the same arms to the government at an advanced price. Captain Callender could only account for Stevens's connexion with the transaction, on the supposition "that he was making purchases by the general's orders."

But in the judgment of the committee the most conclusive evidence that Stevens was acting on behalf of General Frémont, and of the corresponding confidence reposed in him, is to be found in the purchase itself. Stevens simply announces by his despatch the fact that he has 5,000 Hall's carbines, at \$22. "Can I hear from you?" This is answered by the general, promptly, the next day. There is no chaffering; no reference of the subject to the ordnance officer at New York, Major Hagner, or inquiry as to how Hall's carbines should have got into the market, or one word as to the condition of the arms, whether they had been altered or not; but General Frémont, as he well might have done if Stevens was his agent, without asking any explanation whatever, simply answers that he will take them. "Send also ammunition; devote yourself solely to that business to-day." A very natural order if Stevens was acting as his agent; rather remarkable if he was not.

From the whole evidence the committee is of the opinion that the arm was worth to the government, under the pressing urgency for arms, very nearly \$12 50, the amount paid by Stevens to Eastman, amounting in the aggregate to \$62,500, although Eastman, in his testimony, says he only received the sum of \$57,000. The government has paid Morgan \$55,550. This sum seems to include one per cent. for interest, exchange, or commission. This would leave due from the government, of the price at which Eastman sold the arms to Stevens, \$6,950, and interest accrued since the 9th of September. It will be seen that the items in the account for screwdrivers, nippers, &c., are for articles accompanying the carbines, in the sale by the government, for which an additional charge is made. Eastman does not seem to have received anything from Stevens for them, and the government ought not to be charged with them separately. Nor can the government in any just sense be held responsible for the mul-

tiplied commissions and divisions of profit to which this transaction has given rise.

From these premises the committee is forced to the conclusion that no consideration of public faith will require or permit the government to pay for these arms a greater amount than was paid to Mr. Eastman in the original purchase. Two reasons, equally conclusive, sustain this view: the one drawn from the relation of Stevens to the government at the time the purchase was made; the other from the fact that a sound public policy requires good faith on the part of the citizen towards the government.

The committee have presented the facts from which they infer that Stevens was acting on behalf of the government, and cannot, therefore, be permitted to realize a profit out of the purchase. The examination can hardly be regarded as *ex parte*, as full effect is given to the testimony of Stevens himself. But even if Stevens is to be regarded as an independent purchaser, that purchase was made with a view to an immediate re-sale to the government at an enormous profit, and the committee protest against such a transaction being treated as fair and legitimate. To drive a hard and unconscionable bargain with a party whose pressing necessities compelled compliance, has received the severest censure of the enlightened jurists of all nations; and an act which promotes the sordid and mercenary interests of the individual citizen at the expense of the common interest of the Commonwealth, has been branded by the laws of most civilized countries as a crime. To seize upon the pressing necessities of a nation, when the welfare of the whole people are in imminent peril, and the more patriotic are sacrificing life and fortune in the common cause, to gratify a voracious cupidity and coin money out of the common grief, is a crime against the public safety, which a sound public policy must condemn. These transactions, where, in consequence of the urgent necessity of the occasion, or of the improvidence or dishonesty of public agents, enormous and exorbitant profits are attempted to be wrested from the government, are not to be confounded with fair and legitimate contracts and commercial transactions. These are to be sacredly carried into effect, and the good faith which the government owes to its honest contractors, and, indeed, to the patriotic masses of its people, demand the application of the most rigid rules of equity to the unconscionable and dishonest contracts by which enormous profits are sought to be obtained from the government by a system of brokerage unjust to fair and honest commerce, corrupting to public virtue, discouraging to patriotism, and a burning shame and dishonor to the country. Such, in the judgment of the committee, is the character of this transaction, where an effort is made to obtain from the government some \$49,000 over and above the value of the property sold, and that, too, in a transaction involving property at the very best not exceeding \$60,000 in value, and totally worthless if it were not for the necessities of the moment and the misfortunes of the country. The frequency of these transactions, instead of extenuating the offence, demands a more prompt and public condemnation.

ARMY SUPPLIES.

The act of Congress on the subject of advertising for supplies for the various departments of the government was designed to correct a great public evil—a system of corrupt favoritism in government contracts. To prevent the provisions of the act from operating prejudicially to the government in cases of unforeseen emergency, the terms of the act are not of universal application; and the exception, permitting contracts to be made without advertising for proposals in cases where “*immediate delivery*” is required by the “*public exigency*,” has left the enforcement of the law to the option of the public officer on whose integrity the law is, in the main, dependent for its efficiency. If he would act corruptly, he will, under the exception, fail to invite competition. But the exception was necessary; and, at the beginning of the present national difficulties, the purchase of supplies at once, to meet the wants of an army suddenly brought into the field, was unavoidable. No sagacious foresight could, in the ordinary course of events, have guarded against it; and in judging the acts of public officers, in connexion with the questions of integrity and economy the extraordinary emergency must be considered. Yet the committee are compelled to state that, either through corrupt motives, or from a want of reasonable prudence, the act of Congress has been almost a dead letter, even in that large class of cases where it might have been properly applied. Immense supplies, both in the Navy as well as the War Department, the necessity for which, in the ordinary course of things, was easily foreseen, have been purchased privately, under contracts express or implied, without any competition being invited. In one important division of the army (the western) the law has been almost totally disregarded, and even the safeguard of the responsibility of public officers has in many cases been unnecessarily removed by the employment of irresponsible agents in the purchase of large quantities of supplies, even where responsible and experienced and upright public officers were in a position to perform the required duty. A vast amount of supplies have been made on what is called “a requisition.” In the western department, especially, “requisitions” have supplied the place of contracts, and were generally in the following form:

“HEADQUARTERS QUARTERMASTER’S DEPARTMENT,

St. Louis, September 2, 1861.

Messrs. Livingston, Bell & Co. will furnish quartermaster’s department with—

5,000 pairs cavalry boots, 5,000 suits infantry uniforms, 5,000 canteens, 10,000 infantry hats, 10,000 army shoes, 10,000 army overcoats, 5,000 knapsacks, 10,000 pairs socks, 10,000 undershirts, (army pattern.)

All to be made of the best army material, and conform to army regulations and requirements; the cost of manufacture, material, and transportation to be furnished to this department, upon which the

quartermaster will allow a fair mercantile profit to the contractors, Messrs. L., B. & Co.

J. McKINSTRY,
Major and Quartermaster.

A true copy:

H. W. G. CLEMENTS, *Chief Clerk.*"

On such requisitions a single firm in St. Louis—the firm of Child, Pratt & Fox—furnished, from time to time, ordinary army supplies to the value of over \$800,000, apparently without the price of a single article being previously determined. What is meant in these "requisitions" as "*a fair mercantile profit*" may be judged of by the testimony of Mr. James P. Cohan, the bookkeeper of the firm of Child, Pratt & Fox, who testified as follows:

"Question. What would be the per cent. of profit on that sale of blankets?

Answer. About 40 per cent.

Question. Would the profits on the remainder of the goods sold by Child, Pratt & Fox to the government be about the same as the profits on the goods mentioned in your testimony of yesterday and this morning?

Answer. I should think so.

Again:

Question. You have stated that in making up the cost of these articles, and in calculating the profits on them, you charged against them ten per cent. exchange; after having done that, you think the net profits of the firm of Child, Pratt & Fox would average 25 per cent.? If they should be paid in funds which were par here, would not their average profits then be 35 per cent.?

Answer. It would."

It is not necessary for the committee to say that such contracts are universally injurious to the government; opening up innumerable avenues for fraud, and not justifiable, to any extent, under any circumstances; for even in time of war a reasonable foresight, such as is indispensable in a public officer, will anticipate, after the first emergency, the wants of the nation, and provide for them by open and honest competition. The failure to do so, whatever may be the intention of the officer, is, in general, a criminal neglect, the exception being that indicated by the terms of the statute. The committee would urge the importance of making the statute more definite, and leaving as little as possible to the discretion of the public officer; but in no event to permit an irresponsible agent to purchase supplies for the government. While the investigations of the committee have impressed them with the conviction that, with a few exceptions, the quartermasters and commissaries in the regular employment of the government as members of the old regular army, are gentlemen of ample and equal capacity and fidelity, and in the midst of our misfortunes have been ever jealous for the public welfare, the occasional and irresponsible agents employed by the departments to

purchase supplies have, either through want of experience or of integrity, sacrificed the public interests.

It is proper to remark that in furnishing supplies in the western department the commanding general was peculiarly unfortunate in the character of the men by whom he was surrounded. The system of public plunder which pervaded that department was inaugurated at the very beginning, and followed up with untiring zeal; the public welfare as entirely overlooked and as effectually ignored as if the war was gotten up to enable a mammoth scheme of speculation, at the expense of the people, to be carried out.

To illustrate the importance of system in the purchase of these supplies, as well as the prudence of only employing the responsible agent of government in the execution of public trusts, instead of irresponsible temporary agents, through whom a system of favoritism could be consummated, the committee call the especial attention of the House to the purchase of supplies by Alexander Cummings, in the city of New York, under the direction of the Secretary of War. The purchase of these supplies, without advertising for competition, was clearly justifiable. But the failure to employ in this business an experienced public officer furnishes a just ground of public complaint.

These purchases were made on the spur of a pressing necessity, commencing about the 21st of April; but at that time there were in the city of New York, at the head of quartermaster and commissary departments, gentlemen familiar with every want of the army, familiar with the New York markets, and possessing every other advantage which years of experience could confer. Major Eaton, the assistant commissary general at New York, and Colonel Tompkins, the assistant quartermaster general, at the same city, were fully entitled to the confidence of the government on the score of capacity, experience, integrity, and patriotism. The legitimate duties of each of these gentlemen have, to some extent, been performed by persons entirely irresponsible to the government, and of, at least, limited experience, and, so far as the committee is informed, without any public necessity, for the heads of those departments at New York have been fully able to meet any emergency.

On the 21st of April Alexander Cummings, who for twelve years was the editor of the Evening Bulletin in Pennsylvania, and for the last eighteen months the publisher of a newspaper called "The World," in New York city, received two letters from Hon. Simon Cameron, Secretary of War; the one, apparently a private letter, is as follows:

"APRIL 21, 1861.

DEAR SIR: You will receive another letter from me with this.

We shall need supplies to a very large amount sent here from New York, since the interruption to purchases in Baltimore. They will, I think, much of them, have to come via Easton, Reading, Harrisburg, and the rest by sea, *via* Annapolis. I have called on Thomas A. Scott to take charge of the railroads, and I want you to assist the commissaries and quartermasters in pushing forward their supplies, as well as in aiding them in making purchases at or from New York.

We need men here without delay, and supplies should accompany them if possible.

SIMON CAMERON.

A. CUMMINGS."

The other, more official, after stating that the War Department needed an intelligent, experienced, and energetic man to assist in pushing forward troops and supplies, and calling his attention to the fact of his knowledge of the internal arrangements and connexions of the railroads in Pennsylvania, says: "With this view, I will thank you, in consultation with the officers of the army and navy, to assist in getting vessels, or arranging with the railroad companies for the accommodation of the troops as fast as they are ready to march to their destination, and also to assist them in making purchases or other arrangements, and to communicate at the earliest moment any information of service to this department."

Mr. Cummings called on Major Eaton, assistant commissary at New York, who did not require his services in his department, and on the 24th of April General Wool, in an order, says:

"Alexander Cummings will confer with Colonel Tompkins and Major Eaton, who will give such instructions as will enable Mr. Cummings to carry out the instructions of the Secretary of War. He will also confer with the "Union Defence Committee," who will employ Mr. Cummings in the capacity and in the discharge of the duties as indicated in the same instructions."

No person but the Secretary of War seems to have been aware of Mr. Cummings' peculiar fitness for so important a duty as the purchase of supplies, when great business experience and familiarity with the New York market, and army supplies in general, were indispensable; but on the preceding day, the 23d of April, two days after Cummings was instructed to co-operate with the officers of the government, the Secretary of War issued the following order:

"DEPARTMENT OF WAR, *April 23, 1861.*

In consideration of the extraordinary emergencies which demand immediate and decisive measures for the preservation of the national capital and the defence of the national government, I hereby authorize Edwin D. Morgan, governor of the State of New York, and Alexander Cummings, now in the city of New York, to make all necessary arrangements for the transportation of troops and munitions of war in aid and assistance of the officers of the army of the United States until communication by mails and telegraph is completely re-established between the cities of Washington and New York. Either of them, in case of inability to consult with the other, may exercise the authority hereby given.

SIMON CAMERON,
Secretary of War."

And on the 4th of May Governor Morgan issued the following order:

"ALBANY, *May 4, 1861.*

Duties at the capital preventing a personal exercise of the power

within conferred upon me, I delegate my portion thereof to George D. Morgan on April 26, 1861, being then, by telegraph, first apprised of this appointment.

E. D. MORGAN."

George D. Morgan was a relative and business partner of Governor Morgan, residing in New York city. Governor Morgan seems to have regarded this extraordinary appointment as a franchise, subject to be transferred at pleasure. Under this authority, George D. Morgan purchased articles to the value of from \$15,000 to \$25,000, which were paid for, as a part of his own purchases, by Cummings; and here George D. Morgan's operations under this order terminated, and Cummings after this exercised alone the power conferred.

In connexion with the appointment of Morgan and Cummings to make these purchases, the Secretaries of War and of the Treasury, as is stated by Mr. Cummings in his testimony, placed in the hands of General Dix, Mr. Opdyke, and Mr. Blatchford, of New York, \$2,000,000. This large sum of money was subject to the order of Messrs. Morgan and Cummings, or either of them.—(See page 391.) Messrs. Dix, Opdyke, and Blatchford, were distinguished citizens of New York and prominent members of the Union Defence Committee. But, singular enough, while these \$2,000,000 are apparently placed under the safeguard of these well-known citizens, and indeed left under the custody of the United States sub-treasurer at New York, it was in effect placed at the entire disposal of Messrs. Morgan and Cummings, or of either of them, by the Secretary of War. On that point Cummings testifies as follows:

"Question. How did the second letter differ from the first?

Answer. As near as I can remember it, it gave Governor Morgan and myself authority directly to act, and simultaneously with that authority there was a fund placed in the hands of Mr. Opdyke, General Dix, and Mr. Blatchford.

Question. From whom did you obtain that authority?

Answer. From the War Department.

Question. What were you and Governor Morgan authorized to do?

Answer. It authorized us to draw upon the funds in those gentlemen's hands.

Question. By whom was the fund placed in those gentlemen's hands?

Answer. By the Secretary of the Treasury and by the Secretary of War, jointly, I think.

Question. But it was placed there subject to your order?

Answer. Subject to our joint order, or to the order of either of us, I think. Either of us was authorized to act in the absence of the other."

So that Messrs. Dix, Opdyke, and Blatchford were mere treasurers, holding funds subject to the order of Alexander Cummings. It is true that Cummings says that the committee (Dix, Opdyke, and Blatchford) made purchases, chartered vessels, &c., to the amount of \$90,000; yet he says that even where they made purchases, he had to make requisitions on them for the money to pay with.—(Page 392.)

Within a few days after Cummings was invested with this authority,

he drew from the committee, through the sub-treasurer, Mr. Cisco, at New York, \$250,000, \$90,000 of which, as Cummings insists, was applied to pay for the purchases made by the committee itself, or by Mr. Blatchford, a member of it, and the residue, \$160,000, he placed to his own credit at the Park Bank, of New York city, and he states in his evidence that he made purchases for the government to the amount of \$160,000.

Mr. Cummings employed a clerk, Mr. James Humphrey, and exhibited in that, as in most other transactions, a confiding disposition hardly consistent with a thorough business man engaged in public duty. He testifies in reference to his clerk as follows:

“Question. Had you any other clerk than James Humphrey?

Answer. No, sir.

Question. Is he a resident of this city?

Answer. Not now; but he was here then.

Question. Where did you find him?

Answer. He was recommended to me.

Question. By whom?

Answer. I cannot state.

Question. Do you know what his position was previous to that time?

Answer. I think he was recommended to me by Mr. Thurlow Weed, but I am not sure.

Question. Do you know what his previous business was?

Answer. I do not.

Question. Do you know where he had been in business?

Answer. I do not know whether it was here or in Albany.

Question. Did you ascertain whether he had been in business here or in Albany?

Answer. No, sir.

Question. Did you, before you employed him, ascertain anything about him?

Answer. Yes, sir; I remember now that Mr. Weed told me he knew all about him, and upon his recommendation I took him.

Question. What did he tell you in reference to the experience of this man?

Answer. He only told me he was entirely competent and reliable.

Question. Did you ask him what the man had been doing?

Answer. No, sir.

Question. Did you know when you employed him whether he had been a bookkeeper or a lawyer?

Answer. No, sir; I relied upon the statement of Weed that he was reliable.”

This clerk was authorized to make purchases.

Mr. Cummings acted in this extraordinary character for about fifteen days. The \$90,000 was paid to Mr. Blatchford, or to the committee with which he was acting, by Mr. Cummings without any examination into the character of the expenditures, either by himself or anybody else. In reference to his drawing in their favor for the \$90,000. He testifies as follows:

“Question. Can you give me any account of their proceedings for which you thus drew requisitions upon them to credit themselves with?

Answer. I cannot, but their vouchers are all prepared and will show for themselves.

Question. Have you the vouchers?

Answer. No, sir; Mr. Blatchford has them.

Question. He has the vouchers upon which you authorized him to pass to his own credit money in his own hands?

Answer. Yes, sir; I understand that the committee has them, and Blatchford was the acting man.

Mr. Cummings seems to have expended the \$160,000 placed to his own credit in the Park Bank according to his own fancy. He says he expended about \$25,000 in clothing, and on that point says

Question. Of whom did you purchase clothing?

Answer. I cannot recall the names now. They were nearly all strangers to me. I will produce the vouchers.

Question. Did you purchase the clothing in the market?

Answer. Yes, sir. I called to my assistance a clerk, through whom I purchased what I could.

Question. What were the clothes, full suits?

Answer. No, sir. There were two items which covered the larger part of the purchase—pantaloons and hats.

Question. What did you do with them?

Answer. I forwarded them to Annapolis.

Question. On what requisition did you purchase hats and pantaloons?

Answer. No requisition.

Question. How came you to purchase hats and pantaloons rather than anything else?

Answer. Because I thought they would be needed, as hot weather was coming on. I had seen the soldiers pass through here with warm winter clothing, which I believed they could not endure when warm weather should come on.

Question. Then you were guided by your own information and judgment as to what would be needed at Washington?

Answer. Yes, sir.

Question. Had you any other guide?

Answer. No, sir.

Question. Had you any limits imposed upon your actions except such as were imposed by your own discretion?

Answer. No, sir.

Question. You purchased such kind, quality, and amount as was dictated by your own judgment solely?

Answer. Yes, sir.”

The clothing was linen pantaloons and straw hats to the amount of over \$21,000. Again, on this subject, Mr. Cummings says:

“Question. Did you consult with any authority as to the propriety of introducing linen pantaloons into the army?

Answer. Not until after it was done. After it was done I talked with Major Sibley, and he said that was not in accordance with the army regulation; but then I had ceased to purchase."

Mr. Cummings purchased provisions and groceries. On this subject he says:

"Question. Can you give me the name of any firm of whom you purchased any of those groceries or provisions?

Answer. I think some supplies were purchased of Corning & Co., of Albany.

Question. Do you know what they were?

Answer. I think they were provisions.

Question. Did you go to Albany to see the firm?

Answer. No, sir.

Question. With whom did you do the business?

Answer. With Mr. Davidson, a member of the firm.

Question. Where did you see him?

Answer. At the Astor House.

Question. What was the nature of the supplies you purchased of that firm?

Answer. They were provisions.

Question. Did you ascertain from him beforehand as to his familiarity with that branch of business?

Answer. I supposed he knew all about it.

Question. The provisions were of the kind in which he dealt?

Answer. I supposed so.

Question. Did you seek him out?

Answer. I met him at the Astor House.

Question. Did you seek him out for this purpose?

Answer. No, sir; he came to me.

Question. Then Davidson came to you and proposed to sell you something which you now think was some kind of provisions?

Answer. Yes, sir.

Question. What was the amount of that bill?

Answer. I do not remember. The vouchers will show.

Question. Was it large or small?

Answer. It amounted to several thousands of dollars.

Question. Would it exceed or fall short of \$10,000?

Answer. I cannot say. The bill will show for itself.

Question. Did you see the articles?

Answer. No, sir.

Question. How were they furnished?

Answer. By him; and put on board of the vessel.

Question. What knowledge had you of the quality of the articles furnished?

Answer. I could not have much knowledge of it. That was out of question.

Question. Did you employ any gentleman to see the articles?

Answer. Only my clerk, Mr. Humphreys.

Question. Were those articles brought from Albany here and shipped?

Answer. I suppose so.

Question. Were they in Albany when you made the purchase?

Answer. I suppose so.

Question. Had you any absolute knowledge upon that point?

Answer. No, sir.

Question. What was Davidson's statement to you in reference to that thing?

Answer. That he was familiar with that kind of business—that he knew the value of the articles of which the government were in need.

Question. What business did he say he was familiar with?

Answer. I think, the purchasing of supplies and provisions.

Question. With what branch of the supplies you were then purchasing did he say he was familiar with?

Answer. Mainly beef and pork, I think.

Question. Did he tell you he was of the firm of E. Corning & Co.?

Answer. I assumed that.

Question. Had you knowledge then of the particular business in which E. Corning & Co. were engaged?

Answer. No, sir; except as dealers in produce.

Question. Then you relied entirely on his own statement?

Answer. Yes, sir.

Question. And whether the firm was engaged in the provision business you did not know?

Answer. That was my impression.

The firm of E. Corning & Co. were a firm, not in the grocery and produce but in the hardware business, in Albany, New York. Mr. Cummings was probably imposed on from his want of general business experience.

Again :

Question. What was the next considerable item of your purchases?

Answer. Hard bread.

Question. And what amount of that did you purchase?

Answer. I do not now remember the precise amount.

Question. Did you purchase it personally?

Answer. My clerk purchased it.

Question. From whom?

Answer. From a house in Boston, I think.

Question. Did you have any personal knowledge of that transaction?

Answer. No, sir.

Question. Did you furnish the clerk with the funds, or did you draw in favor of the seller?

Answer. It was paid for after it arrived here.

Question. Paid to whom?

Answer. Directly to the party selling, I suppose.

Question. By you?

Answer. By my clerk, I suppose.

Question. What was your own personal connexion with the transaction?

Answer. Nothing further than that I ordered the purchase to be

made and the article to be shipped. I was spoken to about the subject first, and it was thought to be wise to make the purchase."

Mr. Cummings also chartered vessels. He testifies, with reference to the charter of the Coatzacoalcos, as follows:

"Question. With whom did you make the contract?

Answer. With Mr. Roberts, the owner.

Question. Did you make a personal examination of her?

Answer. I had previously been upon her.

Question. Did you invoke the aid of anybody else in making this contract with Mr. Roberts?

Answer. I think not, specially.

Question. Did you examine her boilers?

Answer. No, sir.

Question. What was her tonnage?

Answer. I do not know.

Question. For how long a time did you charter her?

Answer. I am not sure whether there was any time specified.

Question. Before the contract was concluded with him what other inquiries did you make for ships to charter?

Answer. What ships were here and what could be had was a subject of constant inquiry at that time, and I heard of a number. Several persons came to see me about ships.

Question. What other ships did you examine?

Answer. I did not examine any ships. I took it for granted that they were what they were represented to be.

Question. What other ships did you go to see before making this engagement?

Answer. I do not think I went to see any ships.

Question. You went to see this particular ship, did you not?

Answer. I do not think I went to see her with a view to chartering her. I had been on her previously.

Question. Then you engaged this ship from your knowledge of her incidentally acquired?

Answer. Yes, sir; and upon the representation of Mr. Roberts and others who I supposed knew.

Question. On what day had you been upon her?

Answer. On the Sunday previous, to see Colonel Burnside and his troops.

Question. Did you acquire any personal knowledge of the character of the ship at that time?

Answer. No, sir.

Question. Had you then when you engaged the ship, any personal knowledge of her character?

Answer. I said I had no knowledge of her, other than that acquired by a mere casual visit to her.

Question. What personal knowledge, then, had you of the character of this ship previous to thus engaging her?

Answer. I relied mainly upon the representations of her owner.

Question. And that is the extent of your knowledge?

Answer. Yes, sir.

Question. Was this the first ship you ever chartered?

Answer. I do not know which was the first. I chartered two or three about that time.

Question. Was this, then, your first experience?

Answer. This was the only experience I ever had in chartering vessels.

Question. State the terms of the charter-party.

Answer. I cannot.

Question. Cannot you give us the substance of it?

Answer. I cannot.

Question. How much did you pay?

Answer. Either \$1,000 or \$1,250 a day. The price was considered very high, but not more than was being paid at the time, and in the pressure we thought it wise to take her."

Mr. Cummings interested himself in other purchases for the government.

"Question. Since the termination of your duties under that commission, have you had any other transactions with the government of any kind?

Answer. Not in the way of contracts. I had one transaction which, perhaps, might come under the scope of your question. When at Washington, after that, I heard a great deal of clamor on account of the want of shoes. Among others, I had heard General McDowell say there were regiments that could not be marched on account of the want of shoes; and I stated this fact to the Secretary of War. He gave me a letter to the assistant quartermaster at Philadelphia, Colonel Thomas, telling him that if he had not a sufficient supply, to see that a sufficient supply for a force of not less than 200,000 men was obtained, taking care that no greater sum should be paid therefor than the government had before paid. I took that letter to Colonel Thomas, and he authorized me to procure shoes and forward them to him, if I could find anybody to make them. He ordered 75,000 pair.

Question. What did you do?

Answer. I came to Benedict & Hall, of this city, a large firm in Broadway, very well known, and told them that Colonel Thomas had told me that it cost the government, to make their own shoes, about \$2 20 a pair, which was the amount he had limited me to pay. They said they would undertake to make them at that price, although the government standard really made the shoe worth more than that. They took the order.

Question. When was this?

Answer. It was in May or June."

The committee have no occasion to call in question the integrity of Mr. Cummings. Mr. Hall, in his testimony, says that he did not pay Mr. Cummings anything for his services, but Mr. Cummings simply requited, in this way, the kindness of an occasional temporary loan of \$500 or \$1,000.—(See page 509.) "From a dollar and ninety cents to two dollars per pair would have been a fair price for the shoes, (sewed.) If pegged, \$1 25 per pair."

Mr. Cummings says he makes no charge against the government for his services; and as to the settlement of his accounts he testifies

at the time of his examination, (Sept. 6,) four months after this transaction had occurred, as follows :

“Question. And what amount of supplies have you purchased up to this time ?

Answer. This authority extended over a period of fifteen days, when I received a letter from the Secretary of War, saying that the communication had been reopened, and that the purposes of my appointment were now accomplished, and the necessity for it having ceased, there would be no further occasion for action outside of the regular authorities of the government. The authority under both letters ceased at the expiration of about fifteen days from the date of the last one, and probably from the date of the first one. There also came at the same time a letter from the Secretary of the Treasury to those gentlemen I have named, asking them to deposit with Mr. Cisco the remaining funds in their hands. They accordingly deposited with Mr. Cisco, in round numbers, \$1,750,000.

Question. The whole of your proceedings under both letters covered how much money ?

Answer. About \$250,000.

Question. \$90,000 of which was to refund those gentlemen what they had themselves expended ?

Answer. Yes, sir ; that is my recollection.

Question. And that left you \$160,000 with which to cover your own expenses ?

Answer. Yes, sir.

Question. Has the government called upon you to settle this account ?

Answer. The Secretary of War spoke to me about it recently, and I told him as soon as I obtained the vouchers from Mr. Blatchford they should all be forwarded together.

Question. How long since you filed your vouchers with the government for the expenditure of the \$160,000 ?

Answer. The vouchers I still have, but I returned to the department a statement of the articles forwarded.

Question. How long since you made that statement to the government ?

Answer. There has been no statement forwarded to the government except a statement of the articles furnished.

Question. Has the government called upon you to furnish the vouchers ?

Answer. I do not know whether they have called upon me formally, but I have stated that I was ready to forward them at any time.

Question. How long is it since your authority was superseded ?

Answer. It was some time in May ; but all the transactions were not closed in May. There were some purchases of coal. I waited to have that shipped, and then I waited for Mr. Blatchford to return to the city, in order that I might get the two sets of vouchers and forward them all.

Question. Was the coal purchase an extensive purchase ?

Answer. About 2,000 tons.

Question. From whom did you make that purchase ?

Answer. Of the parties who are furnishing the Navy Department with coal.

Question. And at the same price?

Answer. Yes, sir.

Question. When did you make the purchase?

Answer. It was ordered about the time their first purchases were made, but it was not all shipped.

Question. Was there any difficulty in the ordinary officers of the government making that purchase under contract?

Answer. They had no contract.

Question. Was there any difficulty in their furnishing articles of that kind?

Answer. Not that I know of.

Question. Through whom was the coal purchased?

Answer. I asked Mr. John Tucker to purchase it, and the reason was that he was in Philadelphia, and was familiar with the whole coal business.

Question. Was there not a quartermaster in Philadelphia?

Answer. Yes, sir.

Question. And a commissary?

Question. Would not that supply naturally be furnished by the quartermaster?

Answer. Yes, sir; it would, if ordered by him.

Question. The quartermaster was a competent person, was he not?

Answer. Yes, sir.

Question. Why did you not do it through the proper officer of the government?

Answer. Because I did not think it necessary. I supposed my authority covered the whole ground."

Mr. Cummings, in expending this money, does not seem to have regarded it important to act in concert with the regular government officers.

"Question. Did you consult with General Wool as to the character of the purchases you made?

Answer. No, sir.

Question. Did you have any conference with officers of the government who, under other circumstances, would have had control of the department of business in which you are engaged?

Answer. I went to Major Eaton, assistant commissary here, and I talked with Colonel Tompkins.

Question. Did you make any purchases under their supervision or direction?

Answer. No, sir.

Question. Did you do any one of the acts which you did do under this authority in concert with either of those officers?

Answer. I can hardly say that I did."

He gave no bond for the faithful appropriation of the large sum of

money placed under his control, and took no oath of office. His relations to the Secretary of War are thus stated :

“Question. (By Mr. Holman.) You are personally acquainted with the Secretary of War?

Answer. Yes, sir.

Question. How long have you been acquainted with him personally, and what are your relations politically?

Answer. I have been acquainted with him for many years, and my personal relations with him are very intimate, and we have been politically acting together many years.”

After Mr. Cummings had concluded his testimony and taken the same for revision, he added the following note :

“I have retained, under authority of the Secretary of the Treasury, by Messrs. Dix, Blatchford, and Opdyke, one hundred and forty thousand dollars, besides what I have stated in my testimony, which is accounted for by the vouchers.

A. CUMMINGS.”

Mr. Cummings expressly stated that he had drawn out of the hands of Messrs. Dix, Opdyke, and Blatchford \$250,000 of the \$2,000,000 placed in their hands, and had paid to them \$90,000 to cover the supplies they had purchased, and had expended himself \$160,000, and that the residue, \$1,750,000, by order of the Secretary of the Treasury, was re-deposited with Mr. Cisco, the sub-treasurer. Still, we are informed by this note that Mr. Cummings has retained \$140,000 of the money, over and above that stated in his testimony, (\$250,000,) “which is accounted for by the vouchers.” This item seems to have been overlooked by him in his testimony. One hundred and forty thousand dollars is in his hands, over and above the \$160,000 for which he has filed vouchers in the War Department, and over and above the \$90,000 for which the vouchers are retained by Mr. Blatchford; and he deems it sufficient to state in general terms that it is “accounted for by the vouchers.” What vouchers; and who has got them? Can the Secretary of War pretend that the national peril and the necessity for immediate action justified these irresponsible expenditures of the public money, with no settlement for four months afterwards, even if there had been no responsible and experienced public officers in New York to perform the duties?

Among the *army supplies* purchased by Mr. Cummings, are the following:

280 dozen pints of ale and porter, \$1 87	\$525 00
35 quintals codfish, 300 boxes herring	214 37
200 boxes cheese, 26 packages butter, and cartage	1,541 79
6 barrels of tongues	127 60
1,670 dozen straw hats	4,145 68
19,680 pairs of linen pants	17,220 00
23 barrels of pickles	
25 casks of Scotch ale, price not stated	
10 casks of London porter, price not stated	
790 Hall's carbines, (rej'd arm,) \$15 each; 35 cases, \$35	11,890 00

It is not unnecessary to say that these are not understood to be "*army supplies*," as the term is used, except the 790 Hall's carbines, which is the same arm sold by the War Department in the following June for \$3 50 each.—(See page .)

Some of the above articles were shipped by the Cataline, which was probably loaded on private account, and not being able to obtain a clearance the cargo was in some way, through Mr. Cummings, transferred over to the government, *Scotch ale, London porter, selected herring*, and all.—(See page for the cargo of the Cataline.)

The committee call attention to the accounts furnished them by Mr. Cummings. He says in his testimony, (page 397,) that Messrs. Dix, Opdyke & Blatchford purchased supplies, and chartered vessels &c., to the amount of \$90,000, for which he drew in their favor on the funds deposited in their hands; yet in furnishing the account for their expenditures he makes it \$164,971 38, and swells his own account to a sum largely exceeding the amount mentioned in his evidence. It would seem impossible that these accounts should ever be intelligently settled, from the miscellaneous manner in which the business has been conducted.

Mr. Cummings had no general acquaintance with business in New York. He had been a newspaper editor in Pennsylvania for twelve years, and had been in New York as the publisher of another paper for some eighteen months. He was the intimate personal and political friend of the Secretary of War, and "acquainted with the internal arrangements and connexions of the railroads of Pennsylvania" over which supplies are to be shipped, and he is invested with the control of \$2,000,000 to purchase equipments for our army and charter vessels for transporting troops and supplies. He takes no oath and gives no bond. Without any occasion for calling in question the personal integrity of Mr. Cummings, his want of fitness for the position, from want of experience, is very manifest, and yet at that very time there are in the same city of New York gentlemen of the highest character whose qualifications, integrity, and patriotism have never been questioned, so far as this committee is informed, filling the public offices through which have always been performed the very duties assigned to Mr. Cummings. Their great experience in their respective departments, as commissary and quartermaster, was at that moment of peculiar importance to the government; yet they are virtually superseded. The committee has been unable to perceive any possible reason for this.

In the judgment of the committee, the employment of Mr. Cummings by the Secretary of War to purchase army supplies, charter vessels, &c., to the exclusion of the competent officers in the public employment at New York, was unjustifiable and injurious to the public interests, and a dangerous precedent. It is the system they question and not the integrity of the agent. The committee call the attention of the House especially to the failure of the War Department to require an adjustment of these accounts, four months having elapsed since the supplies were furnished, and still even the vouchers for the expenditures had not at that time been sent to the

War Department. And the Blatchford vouchers are still unfiled, and the accounts still unsettled, as the committed are informed, though it is proper to state that the Secretary of War has since requested their settlement. The public interests demand more vigor, system, and promptness, and no condition of public affairs have justified this loose and irregular performance of public duties. Such a system of public policy must lead inevitably to personal favoritism at the public expense, the corruption of the public morals, and a ruinous profligacy in the expenditure of the public treasure, organizing an army of sappers and miners whose covert assaults on the nation would scarcely be less effective than the open assaults of its traitorous enemies.

In the judgment of the committee, the purchase of supplies for army and navy purposes by private contracts, when competition might be invited, and through irresponsible personal friends of parties holding position under the government, when regular and responsible agents of the government can be employed, cannot be too severely condemned. Especially at this hour of national peril, the people have a right to expect fidelity and singleness of purpose on the part of their agents.

The subjects of railroads and transportation are only incidentally referred to; the committee, with the consent of the House, will report specially on these subjects at a future time.

CATTLE.

In this matter there is much evidence of gross mismanagement and culpable carelessness in making contracts, together with a reckless improvidence of the means of the government. Evidence exists of large contracts for cattle having been made without any advertisement for bids, or any effort being made by the agents of the government to satisfy themselves whether the price to be paid were exorbitant, or even extortionate. Cattle were furnished at prices per pound, live weight, very little, if any, below the retail prices for the meat in any of the markets of the country, and the contractors, without themselves furnishing a single hoof to the government, made large sums of money by sub-letting the contracts to other parties, who assumed all the responsibility and all the risks, and still made in profits nearly as large sums as the original contractors. Take, for example, the contracts with Sibley, Tyler, Laughman, and Dyer, for ten thousand head of cattle, "more or less," at eight cents per pound, live weight, delivered in Washington, and $5\frac{3}{4}$ cents delivered in Harrisburg. This contract was sub-let to Williams and Allertons, of New York, at $6\frac{1}{2}$ cents per pound delivered at Washington, and five cents per pound delivered at Harrisburg.

Under this contract 1,136,765 pounds were delivered at Washington, for which Sibley & Co. received from the government \$90,941 20; at Harrisburg, 2,028,892 pounds, for which they received \$116,661 29.

Williams and Allertons delivered these cattle at Washington for \$73,889 72; at Harrisburg for \$101,444 60. Sibley & Co. received from government \$207,602 49, and paid to Williams and Allertons \$175,334 32, leaving profits to Sibley & Co. \$32,268 17; which amount of profits is so much money extorted from the govern-

ment, through carelessness or favoritism on the part of government officials who awarded the contract, for Williams and Allertons admit having made profits to themselves amounting to from \$15,000 to \$25,000. In this connexion is submitted the testimony of Joseph H. Williams and David and Archibold M. (pages 160 and 158) ——— Allerton.

We have here not only evidence of gross mismanagement, a total disregard of the interests of the government, and a total recklessness in the expenditure of the funds of the government, but there is every reason to believe that there was collusion upon the part of the employés of the government to assist in robbing the treasury, for, when a conscientious officer refused to pass cattle not in accordance with the contract, he was in effect superseded by one who had no conscientious scruples in the matter, and cattle that were rejected by his predecessor were at once accepted.

With such a state of things existing, if officers of the government, who should be imbued with patriotism and integrity enough to have a care of the means of the treasury, are ready to assist speculating contractors to extort upon and defraud the government, where is this system of speculation to end, and how soon may not the finances of the government be reduced to a woful bankruptcy? Your committee feel that they cannot too strongly condemn the manner in which this contract has been awarded, nor can they fail to censure the loose manner in which other contracts have been allowed to be fulfilled.

THE PURCHASE OF HORSES AND WAGONS IN NEW YORK.

The committee find great irregularities in the purchase of horses and wagons for the use and equipment of regiments.

Men claiming to be in the employment of the government, by and with the evident consent and collusion of some of the officers of these regiments, have committed the most shameless frauds and peculations upon individuals and the government, according to the testimony of witnesses.

From the testimony of John O. Taylor, of New York, taken September 6 last past, it appears that Colonel Riker, Quartermaster Yates, and Sutler Isaacs, of the Anderson Zouaves, and Lieutenant Colonel Kilpatrick, of the Ira Harris Light Cavalry, are implicated in these transactions, which bring upon the service dishonor, and upon the parties concerned disgrace.

It appears from the evidence of said Taylor (see report, page 173) that a man, claiming to be an agent of the government, and who was buying horses for the Anderson Zouaves, by the name of Augur, with one James L. Dayton, of 111 Nassau street, New York, also claiming to be an agent of the government, bought of said Taylor six horses, a top buggy, and two sets of harness, for the sum of \$970. These parties presented a requisition upon the government, signed and countersigned by the colonel (Riker) and quartermaster, (Yates,) for \$970, to pay for four horses, accompanied with a receipt from Colonel Riker, which read substantially in this way, (according to the testimony of witness :) "Received of J. O. Taylor the following articles ;"

and for a more definite explanation a portion of the testimony of Mr. Taylor is herewith submitted.

Then followed an enumeration of the property.

“But there were only four horses mentioned, instead of six, and nothing said about the carriage and harnesses; but the price put upon the four horses was equal to that of the six horses and all the other property I sold—\$970. I said that would not do; that the government would not pay such a price for the horses; that I understood they were paying only about \$125, and this bill makes them worth over \$240 each. He replied, “Never mind; the regiment has the privilege of buying what they want for themselves, and they want this property.” I afterwards understood that Augur took the top-wagon and one horse for his own use, and that James L. Dayton took another horse, or at least that it was delivered at his stable, and the other four horses the quartermaster of the regiment came to my stable and got. A few days after the property was delivered I saw Mr. Dayton and asked him when I should get the pay. He said it would be thirty days; that when he went to Washington he would get the account acknowledged by the government, and would get the money for me. From that day to this I have not been able to find James L. Dayton, and I have not been able to get my pay. I did not want the transaction to go into the bill in that way, and protested against it.”

Question. Who was the officer of the government who first came to you?

Answer. Augur, I think, was a mere go-between. The first military man who came to me was the quartermaster of the *Anderson Zouave* regiment.

Question. Augur, I understand, comes and makes the bargain with you?

Answer. Yes, sir.

Question. Then what does he bring to you from the officer of the government?

Answer. The quartermaster of the regiment himself.

Question. Then what does the quartermaster do?

Answer. The quartermaster gives me a requisition upon the government for the payment of four horses, amounting to the value of the whole property I sold to Augur—\$970—and Augur takes two horses and the carriage, one of which horses he keeps himself and the other he carried over to James L. Dayton.

It appears from all the evidence, which is detailed in the record of evidence accompanying this report, that the parties to these discreditable transactions had a perfect understanding with each other, and engaged in a system of corrupt pecuniary gains by means of requisitions and receipts signed in blank, and false invoices, and at a time when the overtaxed finances of the government and the confidence of a generous and patriotic people demanded the most rigid integrity.

It further appears from the testimony of Marcellus Randall (page 179) and Isaac Mix, jr., (page 183, report,) both dealers in carriages in the city of New York, that a similar transaction was attempted

with them by the same parties, but the honesty of these men was an overmatch for the temptation to plunder, and that species of reckless indulgence which seems to have increased the morbid appetite of many, who, through the misfortunes of our country, have been placed in the accidental relation of officer, agent, or furnisher. They testify that Auger and Dayton had blank requisitions and receipts from Colonel Riker and Quartermaster Yates, and that these officers were not ignorant of the manner in which they were attempted to be used, for when Colonel Riker was informed of their mode of doing business, instead of expressing surprise or indignation, he simply remarked that he supposed they ought to have something for their trouble.

It seems proper to say in this connexion that these facts were laid before E. Delafield Smith, United States district attorney, who promptly gave his aid, and had Augur and Dayton arrested.

In the examination of Mr. John O. Taylor, he refers to another matter, which should not, in the judgment of the committee, escape mention. It seems that he (Taylor) purchased the right to a horse contract from the Rev. Sidney Corey, a clergyman, residing in 37th street, near Fifth Avenue, New York city.—(See page 177 of testimony.) The contract was from Lieutenant Colonel Kilpatrick, of the Ira Harris Light Cavalry, and authorized Mr. Corey to purchase two hundred horses, mares included, running from fourteen to sixteen hands high, of any color but white, Lieutenant Kilpatrick to inspect them himself; price \$120 each.

The reverend gentleman informed Mr. Taylor that the lieutenant colonel was a particular friend of his, and gave him the contract as a special favor, and that he could obtain the contract for the purchase of one thousand horses if he desired it. An arrangement was finally made by which Taylor paid Corey \$200 cash in hand, and was to give him one-half of the profits. After purchasing seventeen horses, Lieutenant Colonel Kilpatrick appeared, with one Chase, who was said to belong to the Ira Harris Light Cavalry, to inspect them. Chase took Taylor aside and said, "Unless you will give me two dollars apiece for each horse, I will not pass a horse." Taylor paid the two dollars each, but, according to his relation of the case, was so utterly disgusted that he gave the contract back to the said Corey. He afterwards learned that he (Corey) resold the same for a bonus of \$500 to parties who had gone west to purchase horses to fill it.

From the facts elicited in this branch of the investigation, it appears that military officers and agents of the government, or men who in some sense were acting as agents of the government, including a minister of the gospel, have been guilty of gross abuses upon private rights and upon the public treasury, and in other respects have proved faithless to the trust committed to them.

CONTRACT BROKERAGE.

The committee call attention to a case of the prostitution of official position to the base purpose of illegal gain, as set forth in the evidence of Samuel A. Hopkins, page 501.

A man by the name of Wood, enjoying the confidence of the President, was appointed Commissioner of Public Buildings, a place not only requiring great business capacity, but unflinching integrity.

Wood, from his own declarations, as disclosed in the evidence, made himself an instrument for plundering the government. Mr. Hopkins visited Washington to bid on the contract for engraving treasury notes and bonds, and the difficulties he experienced are fully set forth in his testimony.

The evidence disclosed the fact that Wood said to witness, "that his salary was of no earthly object to him; that he would not stay in Washington for his salary if he could not make something outside; that he had already made three dollars apiece on a lot of guns sold to the government, and that he had an opportunity, situated as he was, to operate in that kind of a way every day."

To show the manner of letting the contracts referred to, the witness says: "I found, upon inquiry at the proper office, that a circular had been issued by the Treasury Department to the National Bank Note Company and the American Bank Note Company asking them to submit specimens of treasury notes and bonds according to accompanying specifications. Then followed a description of what they wanted. We having had no such notice, of course could not compete with them, and Mr. Ormsby submitted to the Treasury Department, with specimens of his work, and with his recommendations, the statement taken from the New York papers of the arrest, by the marshal, of the officers of those companies, which contained a minute statement of the size of the plates, the number of the plates for the treasury notes and bonds for the Southern Confederacy, which those companies had been engraving. Soon after that Mr. Wood, the Commissioner of Public Buildings and Grounds, came to me and said he wanted to see me, and proposed to take a walk. I consented, and we walked out into the street, went up towards the Treasury building, and sat down upon some flagging stone. He said to me: "I understand you are here with Ormsby, trying to get work from the government in the way of engraving. I want to tell you, as a friend, that there is no use at all of your trying; that the work will be given to the American Bank Note Company and the National Bank Note Company." I replied, "How is that? I have as good a right as anybody." "I will tell you why," he said: "Between you and me, I am interested in the American Bank Note Company myself, and have been at work for them here, and have got things all right; and Dennison, the naval officer of New York, and his friends F. P. James and William H. Marston, are interested in the National Bank Note Company, and they have got the thing figured all right." I said to Mr. Wood, "Mr. Wood, I don't know how this thing is, but I have been in Washington several times to try to get appointments, or to supply the government with something they wanted, and although I have offered to do or furnish as cheap or cheaper than other parties, I get no kind of attention, and these things are managed in such a way as to shut out men who should have a fair chance. I have come now and brought with me a small steel rifled cannon, of which there are twenty-five in one battery." I gave him a description of the

gun. He replied, "I can help you do that; I can put you in the way of doing that. What do you want for them?" I said, "They were built by contract three or four years ago, for the Mexican government, for \$1,175 each, but I am authorized to sell them for \$500 each." Says he, "Well, I can help you in that matter. Say nothing about the price; we can make something out of that. If the government wants them, they can as well afford to pay more as less. I will take you down and introduce you to Mr. Leslie, the chief clerk of the War Department." I said I had as yet been unable to reach anybody in the War Department."

The committee, in the discharge of their duty, made a representation of the above facts to the Executive, but before any action was taken government was relieved from the presence of an unworthy official by his resignation.

FORTIFICATIONS AT ST. LOUIS.

Your committee now approach the subject of the building of the fortifications of St. Louis. The circumstances surrounding this work are of the most extraordinary character, and are marked by extravagance, recklessness, insubordination, and fraud.

As to whether any fortifications were, or not necessary is a question for military men, which your committee will not presume to pass upon in this connexion. Brigadier General Curtis, however, late a respected member of the House of Representatives, and a civil engineer, who had at one time been an engineer for the city of St. Louis, testified before the committee that he had seen no exigencies since the commencement of the war that would, in his judgment, require the erection of any such fortifications.—(Page 615.) The Secretary of War, in an order dated the 14th day of October last, declared them unnecessary, and ordered the work thereon to be discontinued.

But the committee are prepared to say, that if any fortifications were necessary, it is no question with them that they might have been built by the soldiers without material cost to the government, the same as they have been built at Washington, Cincinnati, Cape Girardeau, Bird's Point, Cairo, Fort Holt, Paducah, and perhaps other places. The fortifications are ten in number, (numbered from 1 to 10,) forming a cordon around and within the suburbs of the city.

In answer to the question, under whose supervision these forts had been constructed, General Curtis answered:

"Under the general supervision of the chief engineer, Major Franz Kappner, and another man, F. Hassendeubel, signing himself "colonel commanding engineer corps." Both of them hold appointments under General Frémont. There are also several other officers I met claiming that they held similar appointments in the corps of engineers, but none of them, as I could find, are regular engineers in the army of the United States, or have been regularly mustered in under the law.

Question. Whom did you find connected with the engineering department of the army of the United States there?

Answer. They were generally Hungarians, Austrians, and Prus-

sians, I think, and none of them connected with the engineering department of the army of the United States, either the topographical or the engineering service of the United States, but the chief is a man of evident ability and integrity of character, though a man who can scarcely speak our language."

Only two days' work had been done on any of the forts (and that was done on forts No. 3 and 4) before the 16th day of August last. The location of the forts had, however, been fixed previous to this time by Messrs. Asboth, Hassendeubel, and Fiala, gentlemen holding appointments only from General Frémont. No engineer or other officer of the regular army of the United States appears to have been at all consulted in relation to these fortifications. The officer holding the appointment of chief engineer under General Frémont, Major Franz Kappner, (accompanied by his accomplished son as an interpreter,) appeared before your committee and gave very full evidence in regard to the works. Major Kappner impressed your committee, as he did General Curtis, as "a man of evident ability and integrity of character," and they are gratified in being able to say they find nothing in his conduct which challenges his integrity or patriotism. Major Kappner had been employed in fortifying Cape Girardeau, but on the 16th day of August he was called to St. Louis to attend to the building of the fortifications there. He employed workmen by the day, and commenced building the forts numbered 1, 2, 3, 4, and 5, being half of the whole number. These five forts were one-fifth larger, on an average, than the five numbered 6, 7, 8, 9, and 10. The five forts from 1 to 5 inclusive, built by Major Kappner by day's work, cost \$60,000, and he testifies that the other five, from 6 to 10 inclusive, could have been built for at least that sum. These last five were commenced about the last of August or first of September, and from that period all the forts were in progress of construction at the same time. Their building was superintended at first by Mr. Hassendeubel, and after he left, Major Kappner *superintended* the whole of them. After the work had been going on in this way from the last of August or first of September a contract was "made and entered into on the 25th day of September, 1861, between Brigadier General J. McKinstry, quartermaster United States army, acting by and under the special orders and direction of Major General John C. Frémont, commanding western department, of the first part, and E. L. Beard, of St. Louis, of the second part."—(See contract, page 886.) Beard is a Californian, who followed Frémont to St. Louis. Thus it will be perceived that for twenty-five days before this contract had been entered into, the work had been progressing on all of these forts under the plans made by Major Kappner. Major Kappner was building himself the five numbered from 1 to 5 inclusive. yet the contract stipulates that Beard was to "construct *all* the fortifications required by the engineer in charge of the work for the defence of the city of St. Louis." Notwithstanding Kappner was building five of these forts himself by the day's work of men employed by him, and notwithstanding, further, that the work upon the other five, from 6 to 10 inclusive, under the superintendence of Hassendeubel, were progressing

from the 1st to the 25th of September, yet the contract made on the 25th of September goes back and covers the construction of “all the fortifications.” Though the contract was entered into by McKinsty, it is set out in the body of the instrument that he acted “under the special orders and direction” of General Frémont. Clements, the chief clerk of McKinsty, testifies (page 887) that McKinsty was directed from headquarters to make the contract. Therefore, although signed by McKinsty, it is the contract of General Frémont himself, made by his “special order and direction.”

There was no security given, as far as it appears, for the completion of the work, either in the shape of a bond or retention of the money, one of which is very essential, and is always demanded as security to the government. (See Captain Turnley’s testimony, page 919.) There is no pretence that any proposals to have the work done, were issued, or that bids were put in, and that it was awarded to the lowest bidder. Beard was to be allowed for the work “the following rates, that is to say: for all excavations, forty-five (45) cents per cubic yard; for all earth embankments, fifty-five (55) cents per cubic yard; for all puddled earth, ninety (90) cents per cubic yard; for sodding the fortifications, embankments, &c., one dollar and fifty cents (\$1 50) per yard; for paving walks and yards, floors of block-houses, &c., one dollar (\$1) per square yard, said pavement to be of the best quality of gravel pavement; for building all cisterns, tanks, &c., for holding water, twenty-five (25) cents per cubic gallon of two hundred and thirty-one inches, said cisterns to be of the best quality, complete with arched bricks, crown and cement finish; for all the timber and lumber used in building the block-houses, magazines, and quarters of officers, soldiers, sewers, &c., and all labor used in constructing the same, (timber and lumber to be measured in the buildings, &c., as the same are completed,) one hundred dollars per thousand feet; for constructing all the facings, brushworks, &c., required on the work, one dollar per cubic foot; for roofing all the buildings, four dollars and fifty cents (\$4 50) per square of one hundred superficial feet, the same to be made of the best quality of three-ply gravel roofs.”—(See contract, page 886.)

It is stipulated that the work should be done within *five days* from the time it should be laid out and specifications furnished, and that payments should be made on the certificates of the engineer in charge, stating the amount of work done. Though the contract was made on the 25th of September, yet it can hardly be credited that the sum of one hundred and fifty-one thousand dollars was paid to Beard *before the date of the contract*. The payments were made as follows:

First payment, August 29, 1861.....	\$10,000 00
Second payment, September 2, 1861.....	15,000 00
Third payment, September 5, 1861.....	60,000 00
Fourth payment, September 6, 1861.....	66,000 00
Fifth payment, October 3, 1861.....	20,000 00
Total of payments.....	<u>\$171,000 00</u>

Here is an amount of *one hundred and seventy-one thousand dollars* paid to Beard on this work, the *last* payment made only eight days after the date of the contract. All the amounts were paid upon the direct personal order of Major General Frémont, with the exception of the first ten thousand dollars, which he instructed his military secretary, Major Eaton, to order to be paid, (see testimony of Hahn, page 1000, and of Captain Turnley, page 917.) Major Kappner says the work on these forts which Beard was building was commenced on the last of August or 1st of September. The first payment of ten thousand dollars on the 29th of August was undoubtedly made at the commencement of the work. At the expiration of three working days, to wit, on the 2d of September, fifteen thousand dollars more was paid, making twenty-five thousand dollars. On the third day afterwards, September 5, General Frémont makes the following order :

“HEADQUARTERS WESTERN DEPARTMENT,

“*September 5, 1861.*

“You will advance sixty thousand dollars (\$60,000) to Mr. E. L. Beard, contractor, as he informs me that without the advance of this sum he must discharge a large portion of his force, and thus delay the work on our fortifications.

“J. C. FRÉMONT,

“*Major General Commanding.*

“Brigadier General J. McKINSTRY, *Q. M. U. S. A.*”

This amount of \$60,000 was paid to Beard, though he had been paid \$25,000 three days before, when he had been engaged only three working days on the job. Yet, two days after, General Frémont gave the urgent order above set out, stating that unless the money was paid he (Beard) must discharge a large portion of his force and “delay the work on our fortifications.” But that is not all. The following order (see page 916, Turnley’s testimony) is given by the general. It will be seen that there is a most singular omission of a date to this order, which would take from the treasury the insignificant sum of sixty-six thousand dollars.

“HEADQUARTERS OF THE WESTERN DEPARTMENT.

“You will advance a further sum of sixty-six thousand dollars (\$66,000) to Mr. E. L. Beard, contractor, as he informs me that without the advance of this sum he must discharge a large portion of his force, and thus delay the works on our fortifications.

“J. C. FRÉMONT,

“*Major General Commanding.*

“Brigadier General McKINSTRY, *Q. M. U. S. A.*”

“Indorsed: Captain Turnley, who has funds, will comply with General Frémont’s order.

“J. McKINSTRY,

“*Acting Quartermaster General.*

“SEPTEMBER 6, 1861.”

The date of McKinstry's indorsement on the order, however, directing Captain Turnley to comply, fixes the presumption that the 6th of September was at least as late as the time on which it was given. On the 5th of September the general says in his order on the quartermaster that *sixty thousand dollars* must be advanced, or a portion of the force discharged and the work delayed. On the next day, September 6, the general gives another order on the quartermaster, in precisely the same language as the order given on the previous day, directing the quartermaster to pay to said Beard the sum of *sixty-six thousand dollars*. Captain Turnley paid this last order on the 12th of September. It will be perceived that General Frémont had *ordered* the sum of one hundred and fifty-one thousand dollars to be paid to Beard in seven working days after he had commenced the job, and every dollar of which *was actually paid* in fourteen days after the work had been commenced. On the 19th day of September, seven days after Beard had received the last-named sum of sixty-six thousand dollars, General Frémont gave him another order on the quartermaster for thirty-five thousand dollars, the order stating that without that further sum Beard would "be unable to continue the building of the fortifications." But in the meantime the funds of the quartermaster's department had given out, and the amount was not then paid. The amount of twenty thousand dollars paid to Beard on the 3d of October, as testified to by Hahn, (page 1000,) is believed to have been paid on this order. The orders speak of Beard as the "contractor," but no contract is found to exist until the 25th day of September, and Captain Turnley, in a memorandum made on the back of the order for the payment of thirty-five thousand dollars on the 19th of September, says :

"I have not got, and have never been furnished with, the contract with Mr. Beard."

Though Beard was building these fortifications from the 29th of August to the 25th of September, nothing is known of any contract except the one referred to, which was entered into on the 25th of September. While it is provided in said contract that the payments should be made on the certificate of the engineer in charge, no evidence is to be found that payments were made on such certificates. On the other hand, it is believed that the payments were made without them, and without any knowledge of what work had been done. The testimony of both Kappner and Hahn render it perfectly certain that no estimates were ever made. The pretences, as set out in the orders of General Frémont, for the payment of the sixty thousand dollars, the sixty-six thousand dollars, and the thirty-five thousand dollars, that the force must be discharged and the work delayed unless the amounts were paid at that time, are certainly unfounded.

It has been shown that the sum of one hundred and seventy-one thousand dollars was paid to Beard up to the 3d of October, the sum of twenty thousand dollars being paid on that day, as is supposed, on the order for the thirty-five thousand dollars, dated September 19. Up to this time, therefore, the sum ordered to be paid by General Frémont to Beard was one hundred and eighty-six thousand dollars,

on account of the construction of these works. On the 14th day of October, 1861, the Secretary of War, through Adjutant General Thomas, gave an order to General Frémont to discontinue the erection of the field works around the city of St. Louis, and not to pay any more money on account of them, and directed that no more funds should be transferred to irresponsible agents, that is, to men not holding commissions from the President, and not under bonds.—(See order, page 1088.)

This order was immediately forwarded by Capt. McKeever, assistant adjutant general, from St. Louis to General Frémont, who was then in the field, and it reached General Frémont two or three days after that. Your committee understand it to have been the duty of General Frémont, as an officer loyal to his superior authority, not only to have promptly obeyed the said order, but to have officially promulgated it, commanding obedience to it by all under his command.

In palpable disregard of his duty, General Frémont neglected to make such promulgation. After this order of October 14, had been delivered to General Frémont, (see testimony of Major Allen, page 1095, and also of Captain McKeever, page 1054, particularly as to time,) he made an order on the 19th day of October, through J. H. Eaton, his acting assistant adjutant general, to Major Allen, the quartermaster at St. Louis, to “turn over to Mr. Beard, out of first funds received from Washington, the sum of sixty thousand dollars, (\$60,000,) for work done on the forts of St. Louis.”—(See order, page 1097.)

It will be seen, therefore, the total amount ordered to be paid to Beard, on account of these works, by General Frémont, was *two hundred and forty-six thousand dollars*, of which one hundred and seventy-one thousand dollars was *actually paid*. Through the firmness of Major Allen, who appears to be a vigilant and incorruptible guardian of the public interest, this last amount of sixty thousand dollars was saved from going into the capacious and already gorged pocket of Beard, who, in the language of Major Allen, was the “leader among the contractors,” and perhaps “the most extravagant and grasping of them all.”

Before paying this money in the face of the order of the Secretary of War, Major Allen very properly submitted the question of its payment to General Meigs, the chief of the quartermaster's department in Washington, (see Allen's testimony, page 1098.) General Meigs directed him to disregard all orders inconsistent with the order of the Secretary of War, of October 14.

In the whole range of their investigations your committee have found nothing so alarming as the defiance of law and the disregard of superior authority, as manifested by the commanding general of the western department, not only in this connexion, but in connexion with the arbitrary and illegal diversion of funds from the paymaster's department and the sub-treasury at St. Louis, which is hereafter referred to. Whenever the action of a general in the field, disregarding alike law, army regulations, and the authority of his government, shall be permitted to pass without challenge and without rebuke, then indeed may it well be considered that constitutional

liberty is at an end and the will of a military commander is substituted for law. This subject is considered of so much importance as to justify a very full quotation from the testimony of Major Allen, as follows:

“Question. How has that order of the Secretary of War been promulgated here, if promulgated at all?

Answer. It has never been officially promulgated. We know of it here only through the public prints.

Question. I see by looking at that order that it is directed that the construction of the field works at St. Louis and Jefferson City should be discontinued, as also the work upon the barracks which are being constructed near General Frémont's headquarters. Has the order in that respect been complied with?

Answer. The work at the barracks is still continued, and everything goes on as if no order had been issued.

Question. Do I understand you to say that this order is inoperative unless promulgated by the major general commanding the department?

Answer. Yes, sir; I so consider it.

Question. If the parties who are constructing these field works and barracks had such notice of that order as would satisfy them of its genuine character, would they, after such notice, have any authority to go on with the works. Or are they only bound by an official notice duly promulgated by the commander-in-chief of the army?

Answer. This order of the Secretary of War would be binding, according to my knowledge of the usages of war, unless the order of the commanding general to the contrary should be repeated. In that case, according to military rule, the last order is to be obeyed, and the responsibility falls upon the commanding general, or officer giving the order.

Question. If the commanding general of the department should never promulgate such an order when he gets it from the Secretary of War, how is that order to be carried out?

Answer. It is inoperative unless promulgated by the commanding general.

Question. Do I understand you, then, to say that the Secretary of War cannot command these things to be done excepting through the commanding general here?

Answer. No, sir; there is this distinction: the Secretary of War can order me, for instance, not to turn over any money on account of fortifications. That order I will obey unless I receive a counter order from General Frémont. I would be justified then in disobeying the order of the Secretary of War and obeying the order of General Frémont. I do not say that I would or would not do so, but that I would be justified in doing so.

Question. Upon what principle?

Answer. Upon the principle of obeying the last order you receive.

Question. So that the only way by which the War Department could prevent the exercise of arbitrary power in the payment of claims, or in the transfer of money, would be by withholding the money or removing the commanding general?

Answer. There is no other remedy.

Question. Is not the refusal or declination of the major general

commanding a department to carry out an order of the Secretary of War setting up an authority upon his part over and above the government?

Answer. Yes, sir; setting up an authority unknown to the law.

Question. Would the giving of a peremptory order upon a quartermaster to pay over a specific fund into the hands of the commanding general, in defiance of a counter order from the Secretary of War, be setting the authority of the government at defiance?

Answer. Yes, sir.

Question. What reason is there, if you know of any, why this order has not been promulgated by Major General Frémont?

Answer. I know of no other reason than that he did not intend to obey it.

Question. He was not in the city at the time, but he was within reach, was he not?

Answer. I know the order of the Secretary of War was received by him.

Question. What are your means of knowledge of that fact?

Answer. I know that the order of the Secretary of War was received at a certain date—which I do not recollect now—from information derived from Captain McKeever, the assistant adjutant general. He forwarded it himself by special messenger, and knew at what time that special messenger arrived, and I know that the order given to me in relation to the payment of money on the forts was made on a subsequent day—certainly one or two days afterwards.

Question. Can you fix the date when Captain McKeever sent the order?

Answer. I see the order is dated October 14, and it must have got to General Frémont two days after that.

Question. If the major general commanding the department had determined to obey this order, do you know of any difficulty in the way of promulgating it?

Answer. None, whatever.

Question. As the matter now stands, there are two conflicting authorities, are there not?

Answer. Yes, sir.

Question. In what respect are they conflicting?

Answer. The order of the Secretary of War directed that no money should be paid except for current expenses. It also directed all work to be stopped upon the fortifications and barracks, and that there should be no money turned over to contractors on account of work upon the fortifications. In the first two cases the order has been disregarded, as the work is still going on upon the barracks, and as I have received orders from General Frémont, through his adjutant general, to turn over this money to Mr. Beard, subsequent to the receipt by General Frémont of the order of the Secretary of War.

Question. Then, do I understand you to say that after General Frémont had full knowledge of this order of the Secretary of War he has given you a peremptory order in direct contravention to it?

Answer. Yes, sir."

Having shown the amounts which were paid to Beard for building the fortifications, particular reference will be now had to the rates to be paid him as fixed by the terms of the contract. He was to have 45 cents per cubic yard for excavations; fifty-five cents per cubic yard for earth embankments; for all puddled earth, ninety cents per cubic yard; for sodding the fortifications, embankments, &c., \$1 50 per yard square; for paving walks and yards, &c., \$1 per yard square; for building cisterns, tanks, &c., 25 cents per cubic gallon of 231 inches; lumber and all labor used in constructing the same, \$100 per thousand; for constructing all facings, brushworks, &c., \$1 per cubic foot, and \$4 50 per square of 100 feet for roofing.

Hon. John M. Wimer, former mayor of St. Louis, testifying from actual knowledge of the cost of such work, stated, that taking into consideration the average wages of men during the last five months, that *fifteen cents* per yard would have been "a good price" for the excavations, embankments, and sodding on the fortifications.—(See Wimer's testimony, page 878.) The price agreed to be paid by the contract for those three items is \$2 50 per yard. General Curtis says the prices agreed to be paid for excavations, embankments, puddling earth and paving walks, are exorbitant, and "at least double the cost of such work."—(See Curtis's testimony, page 616.) Major Kappner, who, it will be recollected, built the first five forts, and who can therefore speak from actual knowledge, says that the excavation, embankment, and sodding on the forts that Beard built would cost ninety cents per yard, which is \$1 60 less per yard than what the contract provides shall be paid to Beard. For paving walks, yards, floors, &c., for which the contract price is \$1 per yard, he says that it would cost from *nine to ten cents* per yard; for building the cisterns, which the contract fixes the price at *twenty-five cents* per cubic gallon, he says *two and one-seventh cents* would be a fair price; that the fair cost of the lumber and work which the contract allows \$100 per thousand feet for, would be from \$35 to \$40. The cost of roofing per square of one hundred feet, which the contract allows \$4 50 for, he thinks would be worth between four and five dollars. In that, however, he is evidently mistaken, for it was shown, in connexion with the roofing of Benton barracks, that Cristy proposed to put on the same kind of a roof at \$3 per square. There is, however, another way of testing the character of this contract. The five forts built by Major Kappner, by days' work, which would ordinarily be the most expensive way, cost the sum of \$60,000, while they were one-fifth larger on an average than the five built by Beard. Major Kappner testifies positively that the five forts built by Beard would certainly not cost more than the sum of sixty thousand dollars, which the five forts cost that he built. Allowing to Beard the liberal estimate that the cost of building the five forts which he constructed was sixty thousand dollars, he has already obtained from the treasury of the United States the profit of *one hundred and eleven thousand dollars*; and had the additional amount of seventy-five thousand dollars been paid him, which General Frémont had ordered to be paid, the government would have been defrauded in that one transaction

out of the enormous sum of *one hundred and seventy-six thousand dollars*.

From the fact that the contract with Beard was entered into so long after the work had been commenced by him, it has the appearance that it was really intended to cover all the work on all the forts, that done by Major Kappner by days' work as well as by himself, for the purpose of enabling him to obtain pay for the whole at the extravagant and outrageous prices provided for in his contract. It is but justice to General McKinstry to state that he is not responsible for this contract. It was made at headquarters, and the enormous and unconscionable prices were there fixed upon between General Frémont and the contractor, and the payments made by him on the contract were made by the express direction of General Frémont. He acted for the commanding general, and by his direction. Beard brought to him a paper from headquarters, "formally drawn up," which contained the prices.—(See Clements's testimony, page 885.) He objected to the prices, and "greatly reduced them." If the prices named in the contract were the "*reduced*" prices, it would be a matter of curiosity to know what the original prices were as sent from headquarters.

It must be understood that every dollar ordered to be paid by General Frémont, on account of these works, was diverted from a fund specifically appropriated for another purpose. Congress makes special appropriations for fortifications, and the works are made in pursuance of plans furnished by the engineer department at Washington, and the payments are made by warrants sanctioned by the Secretary of War. This whole matter cannot be made clearer than by reference to the testimony of Captain Turnley, (page 917,) which is set out as follows :

"Question. What connexion has the quartermaster with such works?

Answer. None in the world, unless it is to improvise defences for the moment.

Question. Was this \$66,000 you paid upon that authority, money which was legitimately and properly appropriated to such payments?

Answer. No, sir; it was specifically appropriated for the quartermaster's department, for clothing, transportation, &c.

Question. Do I understand you to say that the \$66,000 which you paid Beard was money which the quartermaster's department of this city had received from Washington city for the purpose of purchasing horses and wagons, forage, and the transportation of troops, &c., and for equipping the army?

Answer. Yes, sir; it was for the legitimate purposes of the quartermaster's department in organizing the army.

Question. Why, then, was it diverted from that purpose?

Answer. Purely upon General Frémont's order.

Question. What authority had General Frémont to make such an order upon the quartermaster's department?

Answer. No authority, except that, as commander-in-chief, his orders are superior to all others upon the spot, and are necessarily obeyed for

the sake of subordination. I sent a copy of the order an hour after I got it to Quartermaster General Meigs, at Washington.

Question. Have you heard from him upon the subject?

Answer. Yes, sir.

Question. What did he say?

Answer. That the order was illegitimate, and that I was right in not obeying the order.

Question. Do you know that any measurement or estimate of the work done by Beard upon these fortifications had been made at the time this \$66,000 was ordered to be paid?

Answer. I did not then know that any contract was in existence for the work."

The money appropriated by Congress to subsist, and clothe, and transport our armies was thus, in utter contempt of all law and of the army regulations, as well as in defiance of superior authority, ordered to be diverted from its lawful purpose, and turned over to the cormorant, Beard. While he had received one hundred and seventy-one thousand dollars from the government, it will be seen from the testimony of Major Kappner that there had only been paid to the honest German laborers, who did the work on the first five forts built under his direction, the sum of fifteen thousand and five hundred dollars, leaving from forty to fifty thousand dollars still their due. And while these laborers, whose families were clamoring for bread, were besieging the quartermaster's department for their pay, this rapacious contractor, Beard, with a hundred and seventy-one thousand dollars in his pocket, is found following up the army, and in the confidence of the major general, who gives him orders for large purchases, which only could have been legally made through the quartermaster's department, and which afforded him further opportunities for still plundering the government.

Your committee hope that some means may be found to make the parties to this atrocious contract disgorge the sums out of which the government has been defrauded, and that the laborers who have done the work on the faith of the government will not longer be delayed in receiving their just dues.

PURCHASES OF HORSES AND MULES.

Your committee found that the most astounding and unblushing frauds had been perpetrated in the purchase of horses and mules, made by the quartermaster's department; and the evidence left no doubt on their minds that the quartermaster himself was in collusion with corrupt and unprincipled men, who combined together to swindle the government. In these purchases fraud was perpetrated in every possible way. In the first place, matters were so arranged that it was impossible for the original owners to sell either horses or mules directly to the government, but all such sales were made by certain middle men and go-betweens who it appears alone could get any horses or mules taken by the quartermaster's department. The maximum price fixed to be paid by the government for ordinary cavalry

horses and for mules was one hundred and nineteen dollars, and that appears to have been the sum paid by the government for every cavalry horse and every mule purchased in Missouri. The maximum price for artillery horses was one hundred and fifty dollars.

The prices paid by these go-betweens to the original owners, or the legitimate dealers, immediately representing the original owners, ranged from \$85 to \$105, \$108, and \$110, for cavalry horses and mules, and \$125 for artillery horses. The difference between these prices and the prices paid by the government—that is, \$119 for cavalry horses and for mules, and \$150 for artillery horses—went into the pockets of the favored go-betweens. This difference of price in the purchase of the vast number of horses and mules amounted in the aggregate to a very large sum, the greater part of which your committee believe could have been saved to the government had the purchases been made honestly, openly, and fairly, for the best interests of the government. One of the witnesses, Peter Wiles, in his testimony, (page 695,) explains very fully the operation of this way of doing business:

“Question. Is it not your opinion, then, from a knowledge of the facts, that the government could have procured, through proper agencies, all the horses and mules they wanted at a price not exceeding \$105?

Answer. Yes, sir.

Question. Would not that have been the result if the arrangement which was originally made with you had been carried out?

Answer. Yes, sir; I am confident I could have bought the horses at that price. The reason horses and mules have cost the government so much is, that they do not deal with first parties, but through contractors and sub-contractors. The first contractor under the government gets \$119 a head for the animals; another contractor under him furnishes them to the first contractor at a much less price; and then, not unfrequently, a third sub-contractor furnishes them to the second contractor at a still reduced rate; and the consequence is, that as each contractor must make a profit the government gets a very poor animal for the money it pays.

Question. Then there were three or four hands through which the animals had to pass from the farmer before they reached the government, each person charging a profit?”

But the fraud in the manner of purchase was only one of a series of frauds in that connexion. There was a fraud in the inspection. By the indulgence of a “generous confidence,” the favored individual who had the good fortune to have the *right kind* of authority to buy horses for the government either inspected himself or was permitted to select *his own inspector*, which, of course, resulted in a corrupt inspection. In some cases, direct bribery was resorted to.

Frederick Haman testified in regard to the difficulty he had in getting his horses inspected. The following is extracted from his testimony, (page 582:)

“Question. What difficulty did you experience?

Answer. I do not know as we had any difficulty exactly in getting them inspected. I suppose we had some horses once in a while which were not very good.

Question. Did you finally get them passed?

Answer. Yes, sir.

Question. How?

Answer. It cost a little money once in a while.

Question. How much?

Answer. At one time we had a lot of horses that were not very good, and I paid \$50 to Dr. Keller and Major Varian to get those horses through. I made a bargain with Dr. Keller.

Question. What was the bargain?

Answer. I told him that if he would get the horses through I would pay him \$50. They were pretty sound horses, but without paying something I could not get them through. Bad horses were being put in, and good ones rejected; but I was not as well acquainted with the manner of doing things as some others were, and I finally concluded that I had better let \$50 slip and get them in rather than have the horses on my hands. I said to Keller, "I will tell you what I will do: if you will get the horses in for me I will give you fifty dollars." He said he would do his best to get them in. He said my horses were good, sound horses, otherwise he would not take them.

Question. What did you do?

Answer. I paid him the \$50."

There was also fraud in branding horses. For instance, a horse would be bought and branded as a cavalry horse, to be put in to the government at \$119, and when the back of the seller was turned another brand would be put on him by the inspector as an artillery horse, to be put in at \$150; the government being thus handsomely defrauded out of the difference between \$119 and \$150 on each horse. Among the *artists* engaged in these peculiar horse transactions, one James Neil, called familiarly "Jim Neil," maintains a standing of precarious pre-eminence. James L. Ganzehorn testified in this committee that this Neil used him badly, and the following is extracted from his examination, (pages 560 and 561 :)

Question. In what respect did Neil use you badly?

Answer. He was to give me \$160 each for the mules, but he gave me only \$90.

Question. Was that the only transaction you had with him?

Answer. No, sir; he came to me several times and told me that if I would furnish him horses he would give me \$120 for artillery and \$100 for cavalry horses; I brought him one day a lot of horses which I had bought, subject to inspection, of friends of mine who lived in the country—they brought me their horses, and I agreed to give a certain price if the horses passed inspection—three of those I wanted Neil to brand as artillery horses: he said he could not do that as they were not large enough; I told him they were heavy enough and large enough, and that they were artillery horses; he said he could not take the responsibility of doing it; so rather than take the horses

back I let the horses go, and he branded them as cavalry horses. I stayed there all day, and towards evening a police officer in the yard attempted to clear the yard. I thought something was wrong, and I stayed around and would not go out, or at least I thought I would stay until they forced me out, as I wished to see what was going on. Neil then sorted out, to the best of my judgment, 20 or 25 of the horses he had bought that day for cavalry horses, and took them up to the fire and branded them as artillery horses himself. It is the custom to brand cavalry horses once on the shoulder, and to put an additional brand on the hind quarter for artillery horses. Three of the horses which he branded at that time as artillery horses were three of those which he purchased that day of me as cavalry horses, and which he refused that morning to take the responsibility of branding as artillery horses, and which, as he would not do that, I let him have as cavalry horses.

Question. What interest do you suppose Neil had in changing the brand?

Answer. The interest probably is to be found in the fact that the government allowed from twenty to twenty-five dollars more for artillery horses than for cavalry horses.

Question. Do you mean to say that Neil was acting as purchaser and government inspector at the same time?

Answer. Yes, sir; *he paid me for the horses himself; he was the purchaser and inspector of horses, and he branded them himself.*

Question. Who paid you?

Answer. James Neil."

James Everett (page 547) gives an account of the transactions of James Neil in this connexion, and the following is quoted from his examination :

"Question. Do you know a man by the name of James Neil?

Answer. I do.

Question. What connexion has he had with the purchase of horses for the government?

Answer. I saw him buy horses and *inspect them himself.*

Question. When did you see that?

Answer. It was on the 18th, 19th, or 20th of last month.

Question. How many horses?

Answer. I saw the horses counted out of the yard at night, and there were 98 counted out as branded that day by himself. I did not sell him any horses. My brother showed him a horse one day, but from what he saw he concluded that it was a thieving operation, and he would not sell him any more.

Question. Who sold him the horses he branded himself?

Answer. John L. Ganzehorn sold horses to Neil. He keeps a feed store here.

Question. *And Neil inspected and branded them himself?*

Answer. Yes, sir.

Question. How many were there?

Answer. 98. It was a matter of general talk about the neighborhood that Jim Neil should buy and inspect his own horses. He

treated the owners of the horses from whom he bought badly. *He would tell them that he could not brand their horses as artillery horses, and so he would buy them as cavalry horses; but at night, after the owners had gone away, he would put another brand upon the hip, making them artillery horses, which were worth \$30 the most.* I understood he treated eighteen horses that way. The owners said that was stealing their money.

Question. What price was Neil paying for horses?

Answer. He was paying that day \$120 for artillery horses, and \$100 for cavalry horses. *The owners would get the cavalry price, and he would get the artillery price.*"

Patrick Brennen and Patrick Fanning corroborate the testimony of Ganzehorn, (pages 583 and 584.) Brennen makes this statement :

"I had a horse one day to sell, and I went up to the inspection. Jim Neil and Allen were to inspect that day. They were buying. They appeared to have everything to do. I had a horse there, and I could not put him in myself, and I gave him to another man to put in for me. I should have been allowed for him as an artillery horse, judging from the appearance of other horses there that day. When the man came back he said Neil said he could not brand that horse but once—that is, as a cavalry horse. Neil bought the horse and branded him as a cavalry horse. In an hour after the yard was ordered to be cleared, but some of us got around into the back part of the yard and remained. Then the large horses which were there were brought forward by Neil and Allen and branded again upon the hip. I remarked to the man who put in my horse that that was wrong, that my horse was branded twice. He said he could not help it, that he could only get the price of a cavalry horse for him.

Question. Did you see them brand your horse the second time.

Answer. I saw them brand my horse as an artillery horse after they had bought him as a cavalry horse."

Of course, when horses were purchased through such agencies the government was certain to be defrauded, not only in the payment of the large sums going to the middle men, but in the quality of the stock purchased. Large numbers of utterly worthless horses were imposed on the government, all at the maximum price. Old, broken-down omnibus, wagon, and dray horses, and mules, were picked up with avidity by contractors. Mr. Roberts, a witness, gives an illustration, (page 528 :)

"Our drayman sold to the government his team of three mules. He had two very decent mules, and one which was good for nothing. He sells two of them to one of the contractors; the third one they would not look at at all, as he was all jammed up. He sold two upon the condition that they would pass the next day for \$80 each. He went with the mules the next day, and one mule passed while the other was thrown back upon his hands. The drayman *goes then and gets the rejected mule shod anew, put on long corks so that the mule would come up to the standard.* They then received that mule. He then,

the next day, takes the old mule to another contractor, puts ten dollars more on his head, and the mule was received at \$90."

When it came to be understood how this matter of furnishing the government with horses was going on, it was perhaps to be expected that the business would assume important proportions. One of the witnesses (Mr. Harkness) says, (page 539:) "Buying horses got to be a perfect rage here. Dry goods merchants went to dealing in horses, and quit their regular business. They would watch the ferry-boats and watch the farmers coming in, and would hail them, 'Want to sell your horse?' 'Yes, sir.' 'How much will you take?' The reply would be \$75 or \$80, according to the quality. And they would buy the horses at a price agreed on, provided they would pass inspection."

The man Neil, heretofore mentioned, seems to have been in his element in this state of things. Mr. Harkness, (page 533,) who went out several times to see them inspect horses, says: "When I saw Neil out there one day, I told him I thought this thing would pay pretty well, considering the kind of horses they were taking in there. 'Yes,' he said, '*it is a damned good thing*; I am doing pretty well now, and when I get through with this I have 200 more to buy, and I can make a pretty good thing out of that.' Said I, 'How can you get them to buy? there is no contract out.' He said, 'I will get that fixed, for the contract is already made.' I thought it very strange that a man of his standing in the city should get a contract for 200 horses, or should be appointed a government inspector, for heretofore the government had usually appointed respectable citizens. It was published in the city papers that he was a government inspector, or was acting in that capacity."

The same witness gives an account of the manner in which inspectors were appointed, (page 535 :) "These inspectors were appointed by Major McKinstry. Whoever was fortunate enough to get an order from the quartermaster for the purchase of horses *got an inspector of his own selection appointed*, and, of course, the inspector passed and branded everything which was produced by the party who got him appointed. I have known Flannegan to buy a three-year old filly for \$65, and get her passed in fifteen minutes afterwards, under the inspection of his own inspector, Keller.

"On another occasion I went out to Grand avenue, where it was said they were going to inspect horses; I took an interest to see how the thing was conducted. This man Keller was there, though he had not been appointed inspector, as Flannegan had not come here then. Two very respectable citizens from Iowa were down here, and wanted the chance to bring down some horses. I went out there to let them see how horses were passed. Keller was there half drunk, and, in a conversation which sprung up about the army and other war matters, Keller said '*we would soon drive the God-damned Lincoln hordes out of this State.*' "

Your committee quote further from the examination of Mr. Harkness in relation to the value of the horses purchased and the manner of purchasing, (page 536:)

“Question. Did you see a great many of these horses which were passed?

Answer. Yes, sir; thousands of them.

Question. What was their average value in the market here?

Answer. Many of them were, to my certain knowledge, purchased for from \$65 to \$85.

Question. Taking them as a whole, what were they worth on an average?

Answer. One hundred dollars would be a very large price for them.

Question. Would the government have had any difficulty in obtaining these same horses by proper management upon its part, at rates not exceeding \$100 each?

Answer. None whatever. Thousands of them could be bought for that price. There was nothing in the way of the government procuring those animals of the men who brought them in. If there had been a respectable man appointed to inspect horses, so that the respectable farmers of Illinois and Wisconsin could have come in and had their horses inspected, the horses could have been bought at their real value, and the farmer would have gone home satisfied with the government, because it would have been doing him justice. As it is, many of them have come in from Illinois and Iowa for 300 miles round, and could not sell their horses to the government except through second hands. This second-hand business shuts out respectable citizens, and many hundreds of good farmers have gone home disgusted, while many others, who came here at large bills of expense, were obliged to sell for what they could get. But whatever they sold at, the government was obliged to pay \$119 for the horses.”

Your committee desire particularly to call attention to the transaction in relation to the sale of some mules to the government, as detailed by the testimony of Broadhead, (page 529,) of Peay, (page 540,) and of McPike, (page 551,) and which connects the quartermaster and two of his confederates, Pease and Neil, with a gross and palpable fraud upon the government. Robert W. Peay had a lot of mules for sale, and was applied to by Neil to purchase them for the government. He was unwilling to sell to Neil or to Pease individually, but would sell to the government. He made application to Major McKinstry, the quartermaster, who agreed with him to take such of his mules as would pass the inspection of a Mr. Blakely at \$110 each. He turned over on this agreement 296 mules, and made out the account for them to the government at \$110 each, and had the same certified to by Blakely, who had inspected and branded them. Mr. Peay left this account with Neil, to have it allowed and to obtain the proper voucher. But when he wanted this voucher, he was surprised at being told by Neil that Pease had it, and that instead of being made out in his own name at \$110 per head, at which he had sold the mules to McKinstry, it was made out in the name of Neil at \$119 per head, and Pease claimed he had an interest in it of some \$6,000 or \$7,000, and he was not willing to give it up till that amount was paid. James O. Broadhead, esq., a gentleman

of the highest character and respectability, whose legal services in the matter were called into requisition by Mr. Peay, makes a clear statement of the whole matter, to which reference is had generally and particularly in the following extract:

“Question. (By Mr. Dawes.) Then is not the transaction, in effect, this : That your client sold his mules to McKinstry for \$110 apiece, and by some management that you do not know of at the quartermaster's department the title was put into Neil, and the mules passed to the government at \$119 a head.

Answer. That is it. I recollect distinctly of asking this man Peay why it was that Pease had anything to do with the matter. He told me he was some relation or friend of McKinstry. I should have stated before that I saw Pease a second time before I got the voucher. On the first occasion when I saw him he and Peay made a calculation of the amount which was coming to Peay for the sale of the mules at \$110 a head. It amounted to some \$42,000, and thereupon Peay, who had spoken to me to attend the matter, gave me an order upon this man Pease, who it seemed had the management of the business up to that time, to pay me the sum thus ascertained. Peay signed the order, and that order I kept some time. I suppose it is now destroyed, as I was up at General Porter's one day and lost it out of my hat. General Porter found it and informed me of the fact. I told him it was of no account, and I suppose he destroyed it. He can state the nature of the voucher.

Question. The whole payment made to your client was made upon the basis of \$110 a head?

Answer. Yes, sir; the basis of \$119 a head was expressly excluded.”

The whole transaction, therefore, seems to be simply this : Peay sells to McKinstry, the quartermaster, 290 mules at an agreed price of \$110 per head. The mules are inspected and received, and he makes out his bill against the United States for the amount due according to the price agreed on. *Instead of receiving his voucher of that amount, the voucher is, without his knowledge or consent, by the quartermaster issued to James Neil at \$119 per head, and finds its way into the hands of Joseph S. Pease, who claims a right to hold it until he is paid the interest which he has in it.*

Thus by this collusion between the quartermaster's department and Neil and Pease, the government in this one transaction is defrauded out of the difference between \$110 and \$119 on 290 mules.

Charles M. Elleard figures largely as a horse-dealer, and seemed to have the good will of the quartermaster, as he says he laid McKinstry under great obligations to him by having him (McKinstry) retained in office in place of Colonel Crossman, who “was an old fogey.” He sold two thousand horses in all to the government, but he had to take in as a partner, on the recommendation of McKinstry, an old friend of his from Detroit, one J. P. Brady, who was a visitor at St. Louis on this interesting occasion. This man Brady, the friend of McKinstry, shared \$20,000 profits with Elleard in the horse purchases, and that, too, without the investment of a dollar of capital, and with-

out giving his individual services in assisting in the purchases. The conduct of the quartermaster in giving Elleard the contract to put in two thousand horses at the maximum prices, but with the request that Brady should have half the profits, without putting in any of the capital or doing any of the work, and which amounted to \$20,000, was corrupt in its tendency and purpose, and prejudicial in the last degree to the public interest.

Your committee quote from the examination of Elleard, (page 769:)

“Question. You have stated that although Brady’s name was not used as having any interest in buying the horses, yet that he was interested to the amount of one-half; that he furnished no part of the capital, except as you have named. Now state what consideration induced you to let Brady into a contract of which his portion of the profits was \$20,000.

Answer. Nothing but the simple words of McKinsty, that he and I had better work together.

Question. Did you understand that it was the desire of McKinsty that you should take him in with you?

Answer. Most assuredly.

Question. What was your idea in that respect?

Answer. I supposed that he was a friend of McKinsty, and that McKinsty *would like to advance his interest* in that way; I also thought that as they were from the same town, and very old acquaintances, *it might advance my interest to take Brady in with me.*

Question. The public interest was not advanced in any way by giving Brady an interest in the matter?

Answer. *Not at all.*

Question. You could have carried out the contract just as well without him?

Answer. Certainly; everybody knows that.

Question. It was the same as putting \$20,000 into the man’s pocket?

Answer. Yes, sir; and I was advised not to do it. Blair advised me not to do it; but I told him I had agreed to do it, and I would do it; and I did do it.”

Further reference is had to the testimony of Elleard in regard to his presentation to Mrs. Frémont of a carriage and horses on the ground that he supposed it would be gratifying to “Frank Blair,” and which Blair, with marked propriety, told Mrs. F. she “better not take;” also in regard to his *lending* McKinsty his horse and buggy, but which McKinsty did not *return*, but Elleard had to go after them himself after he (McKinsty) had left, and after this committee had commenced its investigations at St. Louis.

The testimony of Almon Thomson is referred to in connexion with these horse purchases. He was connected with Asa S. Jones, the United States district attorney, (whose position as an officer of the government should, in the judgment of your committee, have been deemed by him incompatible with his being a contractor;) John H. Bowen, (who figures extensively in other matters,) and J. P. Wheeler.

Thomson had bought out for himself and Wheeler, Bowen's interest in a contract for buying horses which he (Bowen) had obtained jointly with Jones, and gave therefor the sum of \$5,000. When Thomson went to McKinstry for his pay he was told by him that Bowen's share was to be deducted and left in his (McK.'s) hands. Thomson thought that strange, as he had given Bowen no order on the quartermaster for that amount of money. On demurring a little to leaving the money with McKinstry, he thinks he was told by McKinstry that other parties were interested in Bowen's share. It turned out, by testimony subsequently taken, that Joseph S. Pease (who was a connexion of McKinstry, and who appears prominently as implicated in the frauds of the quartermaster's department,) was the man who Bowen had to divide with. Mention has been heretofore made of the prominent position occupied by James Neil as a horse contractor, inspector, and general favorite at the quartermaster's office. It seems that he performed some small service for Thomson connected with his contract, and charged therefor the enormous sum of \$1,000, the payment of which was refused. What would, under ordinary circumstances, seem singular was, that McKinstry should have been found pressing Thomson to pay this \$1,000 on the ground that Neil had "*done a great deal*" for them.—(Page 636.) Thomson seems to have been no longer in favor at the quartermaster's office, whether from the fact of his refusing to pay this amount to Jim Neil, or for his refusal to subscribe \$150 for the silver service to Mrs. McKinstry, or for his refusal to subscribe \$250 for horse and carriage for Major McKinstry, or from some other reason, must be left for inference. He was told, unless he paid, he would have difficulty in "collecting" his dues from the government. (Page 641.) It must be said, however, that Thomson was not forgetful of the obligations of gratitude; for, after he "got through with the contract," he "presented the son of Major McKinstry with a riding pony." To use his own words, "that was the only *mark of respect* I showed to the family of Major McKinstry."—(Page 643.)

There is another transaction, as detailed in the testimony of Captain Turnley, (page 790,) to which particular attention is directed. Captain Turnley, assistant quartermaster, went to St. Louis in July, 1861, and though an officer of the regular army, he was directed by General Frémont to attend at his office somewhat in the capacity of a public business secretary. All his duties, however, were indicated to him by a man by the name of I. C. Woods, the military secretary of General Frémont. Captain Turnley, among other things, wrote contracts for the delivery of horses, the price being always indicated by said Woods. The heaviest contract was for 1,000 horses. That contract was made at 8 o'clock at night. Colonel Woods sent for Captain Turnley, and said to him, "General Frémont desires you to make a contract with Mr. Augustus A. Sacchi, of New York, for one thousand Canadian cavalry horses, to be delivered here by the 30th of September. He will get \$130 apiece for them."—(Page 791.) Sacchi's presence being needed, he was brought in by Woods. Captain Turnley discovered that he was an Italian and could speak Spanish much better than he could English, and he talked with him in the

Spanish language. Captain Turnley wrote out the contract in full, in quadruplicate, as required by law, and left it in the hands of Colonel Woods, with instructions that it was necessary that it should receive the official endorsement of General Frémont, and that two copies should be sent to the Quartermaster General's office, in Washington. Sacchi left and went to New York, whence he telegraphed Captain Turnley, asking further time in which to fulfil his contract. Captain Turnley took the despatch to General Frémont, who said that not a day more could be given. Three days after a letter came from Sacchi, asking for time, urging many reasons. In reply to that letter General Frémont directed Captain Turnley to write Sacchi that he could not have one day beyond the stipulated time; that if Sacchi did not fulfil the contract he must obtain horses elsewhere.

It seems that afterwards Sacchi assigned his contract to a man by the name of Bitting, of Philadelphia, and Bitting undertook to fulfil it, but he only delivered a few of the horses, which were received; and when he wanted his pay, a long dispute arose between him and Captain Turnley, the Captain refusing to pay Bitting because the contract was not assignable, and he would not make out the account in the name of Bitting, but only in the name of A. A. Sacchi. Sacchi then had, of course, to draw the money. Then it came out from Bitting, to use the language of Captain Turnley, that "Sacchi was nobody—a man of straw, living in a garret in New York, whom nobody knew; a man who was brought out here as a good person through whom to work; and that rather recoiled upon Woods, who brought him to me. I have not seen Woods since, and so the matter stands in *statu quo*." It will hardly be believed that the name of this same man Sacchi appears in the newspapers as being on the staff of General Frémont, at Springfield, with the rank of captain.

Your committee believe, from the testimony of Captain Turnley, that this was a scheme by which the said Colonel Woods, who was denominated on the staff of General Frémont, as "director of transportation," to defraud the government, and that he found in this man Sacchi, in the language of Captain Turnley, "a good person through whom to work." Woods made use of his official position, undoubtedly, upon the staff of General Frémont, in order to get authority to have this contract made with Sacchi, for the delivery of 1,000 Canadian cavalry horses, at the extraordinary price of \$130 each. The idea of leaving the western States, full of the best quality of horses, for the purpose of going into Canada to purchase at the price named, seems to be an extraordinary one, and the only reason why it was done, which occurs to your committee, was that it afforded a better field for defrauding the government in the purchase of horses. Fortunately the vigilance of Captain Turnley, who wrote the contract in quadruplicate, as required by law, and the guards to the interests of the government, which he incorporated in it, defeated the scheme. Sacchi was not able to carry it out in accordance with the rigorous terms of the contract which Captain Turnley had drawn up, and then it was, undoubtedly, that something was endeavored to be made out of it by the assignment to Bitting.

It is due to General Frémont to state that he seems not in anywise to have been interested in Sacchi's having the contract, for when he was advised by Captain Turnley that Sacchi wanted more time, he promptly stated, as has already been set forth, that not a day more could be given. If the same care and vigilance had been exercised in other cases as was exercised in this by Captain Turnley, and had the rules and regulations of the department been adhered to, and contracts carefully drawn up, guarding the interests of the government, vast amounts of money would have been saved.

John H. Morse was a resident of Jefferson county, Missouri, and was driven out in consequence of being too "prominently in favor of the Union cause." He represents that he and his neighbors had a considerable number of mules which were in danger of being stolen from them, and to prevent which it was desirable to turn them in to the government. He therefore went to see the quartermaster, Major McKinstry, and proposed to sell them to the government for what they were paying. He says, "I told him that as Union men, we ought to have the preference over disunionists. He said he did 'not care a damn of whom he bought the stock, so that the stock was furnished to the government, and the contract fulfilled.'"—(See page 705.)

After one contract, for which proposals had been advertised, was filled, Mr. Morse again went to Major McKinstry, and inquired of him whether any more contracts were to be let for furnishing horses and mules. McKinstry told him there were not; that the government was not in need of any more. Morse then told him that he wished to turn in his mules to the government, as there was danger of their being stolen. Although McKinstry had told him that the government was not in need of any more mules, he states that he afterwards found out that horses and mules were being sold to the government at St. Louis, all the time, at \$119 a head. He again tried to sell McKinstry the stock, but McKinstry would refer him "to such a man, and such a man."

The question was then asked Morse who these parties were. He replied, "I think they were Thomson and Phillips. I told him (McKinstry) I wanted to sell the stock directly to the government; that I wanted the contract prices, and that I claimed it as a right to do so. He replied, in a rough way, that he did not know anything about it; that he would have nothing to do with me."

Morse then sought the influence of Colonel Blair, who gave him a letter to McKinstry, in which Blair expressed the hope that McKinstry would take the stock if it was consistent with the interest of the government to do so, and stating that it was due to Morse that he should do so. Morse was then referred to Colonel I. C. Woods, at headquarters, and after beating about three or four days, Woods at last told him that Frémont had nothing to do with it; that it was entirely in the hands of McKinstry, and that Frémont would not give out a contract for mules, as the business belonged to the quartermaster's department. Morse then told Woods that McKinstry would do nothing about it. Woods then said to Morse—using the language

of the witness—(page 707:) “If I would call in at a certain time in the evening he would see the general about it, and try to make some arrangement by which I could sell the mules. I called, according to appointment, and found Palmer there, and Woods turned me over to him. I went to the Planters’ House with him, and Palmer gave me a contract, in the name of Haskell, to furnish all the mules I could bring in. I told him I would get as many as I could. He agreed to give me \$119 a head for them. I have the document, but it is not with me now.

“Question. Did Palmer put in Haskell’s name?

“Answer. Yes, sir. When I got the mules here I learned there was a misunderstanding; that Palmer did not know what Haskell was getting for the mules—so it was alleged—and that he could not pay me \$119 for them. Haskell asked me how many head of stock I had. I told him, and told him that before I got the stock the understanding was that I was to have so much for them. Palmer and Haskell then told me that in order to get me out of the difficulty, and as there had been a misunderstanding, they would extend the contract several days; that I might go on buying mules, and that they would give me \$119 a head for what stock I had of my own, and for what I bought \$108 a head.

“Question. About what time was this?

“Answer. It must have been in the early part of September. They did give me \$119 a head for ten head that belonged to me, and for that I had taken of my neighbors they gave me \$108 a head. I bought what stock my neighbors had, which they thought it would not be safe to keep.”

Thus it will be seen that instead of the government taking the mules directly from Morse, Woods, who was on the staff of General Frémont, turned him over to Palmer for Haskell, and it was agreed that he should have \$119 a head for the mules. But then a misunderstanding seems to have arisen, and it was objected by Haskell to paying \$119 for them; and to get out of the difficulty, Palmer and Haskell agreed to take what mules Morse had of his own, at \$119 a head, but would only allow him \$108 a head for the mules which he had belonging to other persons. Only ten head belonged to Morse, and he states in another part of his testimony that sixty head, which were sold to Palmer and Haskell for \$108 a head, belonged to other parties.

As a further illustration of the manner in which this business was transacted, your committee quote the following testimony of the same witness, (see page 709 :)

“Question. I understand you to say that McKinsty refused to take the mules directly at \$108 a head?

Answer. He refused to take them at all at any price, but turned me over to other parties.

Question. And you were compelled to sell them at \$108 a head, and take your pay in depreciated currency?

Answer. Yes, sir. McKinsty first refused absolutely, and when I

got the note from Mr. Blair, he turned me over to General Frémont, and Woods referred me back to McKinstry. *There is a set of favored contractors here in the city, and a man from the country has no chance when those men are in the market.* Those men, Singleton and Thomas January, came to buy my mules. I told them they could have the mules for \$108 a head in money. They asked me what money. I told them that when I spoke of money I meant money. *They laughed at me and rode off.*"

And further on he says: "It has been a regular game to condemn a whole lot of mules, and then turn round, buy them at a reduced price, and turn them in to the government."

Mr. Leonidas Haskell, (one of the gang of California patriots, of whom there were six, consisting of said Haskell, A. A. Selover, E. L. Beard, Joseph Palmer, I. C. Woods, and H. C. Worth, and who hovered like sharks about the headquarters of the commanding general and of the quartermaster,) was one of the parties so highly favored with authority to purchase horses. He purchased a very large number, deriving from the transaction the usual enormous profits. He appears to have been on the most intimate terms at headquarters and at the quartermaster's office, and every facility was extended to him to enable him to get his horses inspected and have them received by the government. It appears that he had no contract, but merely an agreement from the government to receive such horses and mules as he should purchase and have inspected. Captain Turnley, in his testimony, (see page 794,) says:

"I know nothing of the agreement, except as it came out in their importunities to receive mules for him. Persons came daily to me to ask me to receive mules on Haskell's contract or agreement. *I think I have an order, in McKinstry's handwriting, directing me to receive Captain Haskell's mules.*"

As an evidence of the consideration in which this Haskell was held at headquarters, it appears that he was appointed upon the staff of General Frémont as aid, with the rank of captain. When it was objected that, being in the military service of the United States, it was not admissible for him to have any interest in contracts, there was a pretended transfer of such interest to Worth, who, according to the testimony of Morse, (page 708,) was the clerk of Haskell. Your committee have no doubt that this transfer was a sham, and that Haskell had really the same interest in the matter after his appointment upon the staff as he had before.

It would be tedious, and, perhaps, unprofitable, to go further into this matter of the frauds connected with the purchase of horses and mules. The testimony of a great many witnesses was taken which has not been referred to. There is the testimony of Coffee, (page 555,) and of Irvine, (page 557.) There is also the testimony of John Allen, (page 573,) who furnished horses and mules to a contractor by the name of B. F. Fox, of Illinois, who was the brother of Mr. Fox, of the firm of Child, Pratt & Fox, of St. Louis. The vouchers which

Allen got were paid in Missouri money, at the quartermaster's office. Mr. Allen stated that he had long been a resident of Illinois, and was acquainted with a great many stock dealers, and could have furnished from 1,000 to 1,500 horses without difficulty, and would have been glad to have furnished them to the government at the same prices which he got from other parties, which was \$105 a head for cavalry horses and \$109 for mules. When asked why he did not deal directly with the government, he answered that the business was in the hands of such men that he could get no show, after trying every plan he could think of. He further says: "I finally came to the conclusion that there was no chance to do anything except through other men, after every effort upon my part to get a contract with the quartermaster's department."

Then there is the disingenuous testimony of John H. Bowen, the confederate of McKinstry and of Pease, to which your committee would refer, (page 575.) In the sale of Bowen's interest in the horse contract to Thomson, he was to have \$5,000. Reference has been before made to the fact that McKinstry, when Thomson went for his pay, required that this money should be deducted for Bowen, and it was so deducted and retained by McKinstry. It turns out, from this testimony of Bowen, that Pease, the brother-in-law of McKinstry, was to have one-half of this amount. The fact that Bowen paid Pease, the brother-in-law of McKinstry, \$2,500 as his portion of the profits upon this contract, may have something to do with the other fact, as stated in the testimony of Thomson, (page 637,) that the bid of Bowen for the contract was \$119 50, and that of Jones \$119. The contract was not awarded to Jones at \$119; but McKinstry divided the matter, and awarded the contract to both of them.

There is also the testimony of John D. Perry, (page 593,) which explains the difficulties he had in selling a lot of mules directly to the quartermaster. Mr. Perry was an old citizen of Missouri and St. Louis, and had received some mules from the centre of the State to sell, and he attempted to sell them directly to the quartermaster. He met with a great deal of delay, and many annoyances. On the evening of the third day that he had been at the quartermaster's department, McKinstry said to him: "Here is the man I wanted to see. I want you (speaking to the man) to take Perry's mules." This man was a Californian—"Haskell's man, Palmer." Perry told Palmer he could make no contract with him; and when he went out of McKinstry's office he met Haskell, and Haskell proposed to buy his mules for \$108 a head, while he was getting \$119 a head. Perry told Haskell he did not want to have any go-betweens, and did not wish to speculate off of the government. After much delay and trouble, he finally sold them directly to the quartermaster. He says, while waiting at the quartermaster's office, that the following gentlemen seemed to engage the attention of the quartermaster most of the time while he was there: Mr. De Graft, Mr. Palmer, Mr. Selover, Mr. Haskell, Mr. Brady, Mr. Elleard, and Mr. Fox. There is also the testimony of Ansel Phillips, (page 719,) the agent of the Keokuk Packet Company. He also was engaged in the horse business, and

upon the authority of Major McKinsty he purchased 196 head, but it was the understanding that he was to take in Bowen and Pease. And afterwards "McKinsty's young man, Jim Neil," to use the language of the witness, came in and claimed a one-fourth interest in the profits. Pease did nothing whatever in reference to the purchase of these horses, and put in only \$1,000. Bowen did not furnish a dollar. Subsequently, when Phillips went to settle with McKinsty, he objected to taking these men in as partners. McKinsty told him that that was the bargain. Phillips said that it was not right that he should divide, as he had done all the work and advanced all the money; but they insisted upon it, and he told them he would leave the matter to McKinsty. That he did, and McKinsty decided that he, Phillips, should pay them a part of the profits, including Jim Neil.

The testimony of Lippincott, (page 725,) and of Arnott, (page 832,) in regard to the purchase of horses, is also referred to, as well as the testimony of Farnham, (page 850.) The testimony of the latter further illustrates the corruptions in inspections by bribing inspectors.

Your committee will close this part of their report with a reference to the testimony of John D. Park, quartermaster of the Black Hawk Cavalry. About the first of September last four hundred and eleven horses, by the order of General Frémont, were sent from St. Louis to Warsaw, Illinois, the point where said regiment was rendezvousing. They were kept there and well taken care of until the 20th of October, when a board of survey was ordered to report on the condition of the horses. Major Park, in his testimony, says, (page 810:)

"They were kept according to the army regulations; were well taken care of, and received no injury whatever. Five of them died, and the remainder, three hundred and thirty, were pronounced as totally unfit for service. They had every disease known to horses. They were undersized, under and over aged, stifled, ringboned, blind, sprained, and incurably unfit for any public service. Such was the report of the board of survey. The report was made to me on Monday night, and I handed it over to General Prentiss."

The following is a copy of the report of the board of survey, certified to by Major Allen, (page 1096:)

" CAMP SULLIVAN,
" Warsaw, October 21, 1861.

"The undersigned, having been summoned as a board of survey to examine and inspect the condition of the horses forwarded to this regiment from St. Louis, and report the result to your headquarters, would respectfully report that we have examined said horses, and find seventy-six fit for service, five dead, and three hundred and thirty *undersized, under and over aged, stifled, ringboned, blind,*

spavined, and *incurably unfit for any public service*. Said horses are said to be the residue of the Missouri contract.

“Very respectfully,

“DAVID McKEE, *Major*.

“GEORGE ROCKWELL, *Captain*.

“JOHN SCHEE, *Lieutenant*.

“Colonel WILLIAM BISHOP.

“A true copy.

“ROBT. ALLEN, *Major and Quartermaster*.”

Nothing can show more clearly the incredible and stupendous frauds perpetrated in the purchase of horses in the western department. Thus, it will be perceived that out of the whole number of four hundred and eleven, five had died, and *three hundred and thirty* were rejected by the board for the reasons stated, and only SEVENTY-SIX were received as fit for service. And what is remarkable, it appears by the testimony of Major Park that he was charged for those horses the sum of one hundred and thirty dollars each, by a bill which was sent to him from the quartermaster's department at St. Louis. This was adding eleven dollars for each horse to the highest price paid for cavalry horses in St. Louis, which was one hundred and nineteen dollars. Where the difference went to has not been discovered. Major Park says, further, that the government, in that transaction, will not get out of it at a loss of less than *forty thousand dollars*, independent of the damage sustained in consequence of the detention in filling up the regiment.

FALSE VOUCHERS.

One of the most alarming frauds disclosed in the testimony taken by your committee at St. Louis, was the payment of money at the quartermaster's office upon vouchers totally or partially false. Alexander Kelsey furnished articles, through Joseph S. Pease, the brother-in-law of McKinstry, to the amount of many thousand dollars, which articles went to the government. Your committee had brought before them an original voucher, and as the matter is one of so much importance, they set it out in full. It is as follows, (page 920:)

The United States to Alexander Kelsey.

1861.

July 30.	28,000 pounds hay, at 70 cents per hundred	\$196 00
	514 $\frac{10}{35}$ —18,000 pounds oats, at 25 cents	128 55
	107 $\frac{8}{56}$ —6,000 pounds corn, at 25 cents	26 80
	For Lieut. Shields's volunteers, Cape Girardeau.	
29.	3,000 bushels (105,000 pounds) oats, at 25 cents	750 00
	For Major Spicer's brigade, Missouri volunteers, Mexico, Missouri.	
Aug. 4.	5,000 bushels, 175,000 pounds, oats, at 26 cents.	1,300 00
	For Major Hatch, quartermaster, Cairo.	
		2,401 35

I certify that the above account is correct and just, and that the articles have been accounted for on my property return for the quarter ending the 30th of September, 1861.

J. McKINSTRY,

Assistant Quartermaster.

Received, St. Louis, Missouri, 31st of August, 1861, of Brevet Major J. McKinstry, assistant quartermaster United States army, twenty-four hundred and one dollars and thirty-five cents, in full of the above account.

ALEXANDER KELSEY.

It will be perceived that the above account is certified to by J. McKinstry, assistant quartermaster, as "correct and just," and that on the 31st of August, 1861, the said McKinstry paid the amount of the above bill to Pease, on his producing Kelsey's receipt. The first item in the account is for 28,000 pounds of hay, which Kelsey testifies he never sold to Pease, or to the United States. The same is true in relation to the second item; the same in relation to the third item; and the same in relation to the fourth item of 3,000 bushels, of oats, at 25 cents per bushel, charged to have been sold on the 29th of July, the amount charged being \$750. On the same day he sold to Pease 180 bags, 83 bags, and 36 bags of oats, amounting to 27,000 pounds, at 23 cents per bushel—total amount, \$106 05; but he sold no such amount as is charged in the voucher on that day. The next charge is 5,000 bushels of oats on the 4th of August, at 26 cents per bushel, amounting to \$1,300, which he did not sell; but on the 2d of August he sold Pease 163 bags of oats, equal to $319\frac{1}{2}$ bushels, at $24\frac{1}{2}$ cents per bushel.

Thus it will appear from the testimony of Mr. Kelsey himself, that the voucher above set out is false in every particular. It seems that this fraud was accomplished by Pease in this way, as explained by the witness himself:

"One Saturday I had been up to his office to get some money, and that evening he came to my office just as I was closing up for the night—it was just dark—and brought the voucher with him. He said he could not give me any money until he had got this voucher, for stuff which I had sold him, signed. It was so dark I could not look over the account to see whether or not it was correct. I did not see the amounts, but took it for granted that they were correct. I could just see indistinctly to write my name to the receipt, which I did.

Question. How much money did he pay you at that time?

Answer. I think he gave me \$1,000 the next Monday on account.

Question. Did you not know anything in regard to the items which composed the account?

Answer. I did not.

Question. What was your idea about the matter when you signed the receipt?

Answer. That it was a bill for articles sold, or a correct copy of a bill, and I did not consider it requisite to look it over. When you

showed it to me yesterday, it took me more by surprise than anything else; I did not consider it possible that I signed a receipt to such a voucher, but it turns out to be true.

Question. Did you receipt the bill on the day the receipt was dated?

Answer. I am satisfied I signed the receipt on Saturday evening, but whether it is dated correctly I cannot say. I could barely see the line to write my name upon it—at the dusk of the evening.

Question. By this bill it appears that you have receipted to the United States \$2,401 35 which does not belong to you?

Answer. Yes, sir; it would not belong to me if I had got it, but I have not."

See further testimony of Kelsey, (page 959.)

Kelsey thus having signed the receipt, Pease drew the amount of \$2,401 35, which really had no connexion with the articles which he had bought from Kelsey, though on a subsequent Monday morning he paid Kelsey \$1,000 on account. Your committee was satisfied that Kelsey was no party to the fraud, but was a victim of the imposition of Pease.

John B. Vallé (page 879) sold 10,000 gunny bags to the United States, through Pease, at 12 cents apiece. When the last payment was made, Pease requested that the bill should be made out to the United States for \$1,300, instead of \$1,200—the difference of \$100, being the commission which Pease claimed in the matter. Pease said, "I only make \$100 upon this matter, and I want you to give me a receipt for \$1,300, and one for \$1,200." Vallé and his partner hesitated about signing a false voucher, but finally Pease told them that if they did not do it he would not settle at all. The receipt for \$1,300 was signed and given to Pease, and he paid Vallé only \$1,200, and that in Missouri money, when he should have had gold. The difference between Missouri money and gold was from 10 to 15 per cent.

This is the transaction: Pease bought the bags for \$1,200, got them into his possession, and then refused to pay the \$1,200 until the parties should sign a receipt to the government for \$1,300, the difference between the two amounts being the sum which he himself was to pocket. The action of Pease was openly and palpably fraudulent; and there is no excuse upon the part of Vallé for signing this voucher, thus enabling Pease to defraud the government out of \$100.

CHILD, PRATT & FOX.

The dealings of the quartermaster's department at St. Louis, while in charge of Major McKinstry, with the firm of Child, Pratt & Fox were very extensive, amounting to more than \$800,000 since the present difficulties broke out. This business was not confined to the particular kind of business in which that firm was engaged, who were hardware merchants, but extended to every variety of article and thing which the department had occasion to buy. In addition to their legitimate trade, these hardware merchants were called upon

to furnish blankets, shoes, overcoats, caps, pants, saddles, bridles, picket-pins, flannel, infantry suits, portable forges, felt hats, camp kettles, shirts, knapsacks, drawers, hatchets, saddle blankets, &c., &c. Indeed, whatever the service called for, it also seemed to require should be furnished by this firm. Nor were those articles purchased under any contract or stipulated price, but procured on open orders, and paid for at the prices charged, without questioning. In but two or three instances, and those of the most insignificant character, have the bills as to quality or price, in this large trade, approaching a million of dollars, been subjected to the slightest inquiry. The perfectly unreserved manner in which the government was placed in the power of this firm is best described by its book-keeper, James P. Cohan, in answer to interrogatories put to him by the committee, page 860.

“Question. Were those goods furnished under a general contract, or was the firm of Child, Pratt & Fox employed as the agent of the government in making the purchases?

Answer. I can answer that question in this way only: that the orders came to our house from the quartermaster's department—from McKinstry—and we filled the orders.

Question. Did those requisitions simply mention the goods to be furnished?

Answer. They simply specified the articles, and we furnished them accordingly.

Question. Was any contract made between your house and the quartermaster as to the price at which those articles, or any of them, should be furnished?

Answer. None that I am aware of.

Question. If there was any agreement as to the price at which they should be furnished made before the articles were furnished, you would probably have had a knowledge of it?

Answer. I would have known it. I know of no such contract.

Question. From the time of commencing the delivery of these articles up to this time has there been any agreement between the firm of Child, Pratt & Fox and any government officer connected with the quartermaster's department, fixing the price of these various articles?

Answer. None that I am aware of.

Question. If there had been any such contract it would have come to your knowledge?

Answer. I would have known it.

Question. Then, so far as between the government and the firm of Child, Pratt & Fox, the prices of these various articles which that house has been delivering to the government have not been fixed upon by the mutual action of the government upon the one hand and that firm upon the other?

Answer. The prices have been fixed by the vouchers which we held, signed by Major McKinstry. He passed our bills and signed them.

Question. When a requisition was made upon you, and your house

furnished the articles, did you designate in your account rendered the prices at which you furnished them?

Answer. We did.

Question. And sent the bills to the quartermaster's office?

Answer. Yes, sir.

Question. Were they submitted to Major McKinstry himself?

Answer. They were sent to his office.

Question. Were they submitted to him, or were they subject to the inspection of some subordinate of that department?

Answer. They were examined by the chief clerk, or by the cashier,

Question. Who certified to their correctness?

Answer. The cashier and McKinstry signed them.

Question. How would the chief clerk or McKinstry know whether the prices which were charged were proper prices?

Answer. I cannot tell.

Question. Did you generally submit those accounts to the quartermaster's department yourself?

Answer. I usually sent them there.

Question. Was there ever any difference of opinion between your house and McKinstry, or his clerk, as to the price at which any of those articles should be furnished by you?

Answer. Not that I know of, with one exception. When I was in McKinstry's office, one night getting our accounts adjusted and put into the shape of vouchers, McKinstry cut down the price on a lot of pants from \$4 to \$3 65.

Question. When was that?

Answer. A month ago.

Question. How long was it before he left the quartermaster's department, or rather ceased to be assistant quartermaster in this city?

Answer. Probably ten or twelve days.

Question. Then up to that time, and with the exception of that single article, the prices as you had fixed them in the accounts you had rendered were universally accepted by Major McKinstry or his clerk?

Answer. Always.

Question. Had you any conversation with Major McKinstry or his clerk as to the cost of those articles?

Answer. Never.

Question. Was it understood that you were to buy those articles and receive the ordinary mercantile commission?

Answer. I do not know anything about that.

Question. In furnishing these articles to the government what was the understanding between McKinstry, or his clerk, or any person acting for him, and this firm, as to the basis upon which the price of the various articles furnished should be fixed?

Answer. I do not know as there was any understanding as to the price. I should say there was not.

Question. And the prices charged in your bills as rendered were

universally accepted and received, and certified to be correct, with the exception of the one instance to which you have referred?

Answer. Yes, sir, so far as I know, with perhaps the further exception of their deducting 15 cents each from the price of a lot of 100 caststeel spades.

Question. Do you remember any other articles on which they made a deduction?

Answer. I do not."

In many instances those articles thus ordered and paid for at any price this firm was pleased to fix upon them, were purchased by them of their fellow merchants in St. Louis, within a stones throw of the quartermaster's office, and turned immediately in to the government with an enormous profit added to the market price. Mechanics of the highest [character and responsibility in the city of St. Louis, found the quartermaster buying of this firm articles of their own manufacture, at a price fifty per cent., seventy-five, one hundred, and, in some instances, three hundred per cent. higher than they themselves had offered to furnish them for, upon advertisement by the quartermaster. Some of these mechanics never heard of their proposals after they were given to Major McKinstry; those of others were rejected without explanation. But they afterwards, in many instances, manufactured the same articles for Child, Pratt, & Fox, at the prices at which they had offered to sell them to the government, and that firm resold them to the quartermaster at the enormous advance before stated.

The committee quote from the testimony of business men of the highest character to show the shameful manner in which the public funds have been wasted in giving patronage to this firm. Giles F. Filley testifies, page 522:

"Question. Have you furnished stoves, or any other articles which have gone to the use of the government, through third parties?

Answer. Yes, sir. We have a contract now with third parties for camp-kettles and mess-pans—that is, we have orders for them.

Question. State everything connected with that matter.

Answer. About two months since, I should think, the house of Child, Pratt & Fox came to me for the purpose of getting camp-kettles and mess-pans, articles which are manufactured by us. Fox came to me and first said, "charge them directly to the government." He then said, "charge them to us." Afterwards he said, "I do not know, but you may as well charge them to the government." Finally he said, "as the government is ordering these things from us, charge them over to us." Of course we did so without knowing what they charged for them. We made them without charging much profit, supposing that they charged the government only what we charged them.

Question. State at what price you made them.

Answer. We made them by the pound, while they charged them to the government by the piece.

Question. How much did you charge them?

Answer. We charged about $13\frac{1}{2}$ cents per pound for the kettles, and $15\frac{1}{2}$ cents for the mess-pans. Those prices equal about $42\frac{1}{2}$ cents each for the camp-kettles, and $27\frac{1}{2}$ cents each for the mess-pans, on an average. I understand that this house charges the government 65 cents for the camp-kettles and 35 cents for the mess-pans. We subsequently sent a letter to the quartermaster's department, of which the following is a copy:

"ST. LOUIS, *September 18, 1861.*

"DEAR SIR: I learned this morning that you would shortly need a large number of camp-kettles and mess-pans. If they are to be the same size and weight as those now made for the army, which are of the best quality of charcoal sheet iron—No. 26 wire gauge—I will furnish them at the following prices, provided the order is given for, say, 2,000 camp-kettles and 5,000 mess-pans:

"Camp-kettles, at $42\frac{1}{2}$ cents each.

"Mess-pans, at $27\frac{1}{2}$ cents each.

"Respectfully yours,

"GILES F. FILLEY,
"By BELL.

"General J. McKINSTRY."

To that letter I received a reply, of which the following is a copy:

"OFFICE A. Q. M. GENERAL, WESTERN DEPARTMENT,

"*St. Louis, September 18, 1861.*

"SIR: In reply to your offer to furnish 'camp-kettles' and 'mess-pans,' this department is not in want of any at this time.

"Respectfully,

"J. McKINSTRY,

"*A. Q. M. General.*

"H. W. G. CLEMENTS,

"*Chief Clerk.*

"Mr. GILES F. FILLEY,

"*St. Louis, Missouri.*"

"Answer. I understand they did not have a special contract, but they had an open order to furnish everything.

Question. Was that house engaged in the manufacture of those articles?

Answer. No, sir.

Question. Then what reason, if any, can you give why they should have been ordered to furnish them?

Answer. Well, sir, I suppose that McKinstry, the quartermaster, owed his appointment as much to Fox as to anybody.

Question. How many of those articles have you furnished to Child, Pratt & Fox?

Answer. In amount, to over \$4,000 worth.

Question. Upon those you have furnished, what is the difference in cost to the government between what you proposed to furnish

them for and what you understand they actually paid for them to Child, Pratt & Fox?

Answer. Taking into consideration the difference between the Missouri money which we received and treasury notes which the government pays, as well as the difference in price, and it would be over 50 per cent.—about 55 per cent.

Question. Do you know any reason, other than that you have already stated, why these articles should have been purchased of the house of Child, Pratt & Fox, instead of directly from the manufacturer, at the reduced price?

Answer. No, sir; except that Mr. Fox has been very intimate with the quartermaster.

Question. Has it or has it not been a net loss to the government of that difference in price?

Answer. Yes, sir.

Question. State whether you were prepared to do and could have done the work which you proposed, and at the prices you proposed.

Answer. We have actually done it for Messrs. Child, Pratt & Fox.

Question. Do you know of any other contract which this house has made with any other parties for other articles?

Answer. They have a similar arrangement with my brother, in reference to articles which he manufactures.

Question. What articles are they?

Answer. Tin plates and cups."

Thus it appears that Quartermaster McKinsty paid this firm, and that, too, as their bookkeeper states, without the slightest question, a price fifty-five per cent. higher than the written offer of Mr. Filley, then before him.

Thomas Hood testifies as follows, (page 746:)

"Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a blacksmith.

Question. Have you made any picket-pins for the government?

Answer. I have not.

Question. Did you propose to make any?

Answer. I did.

Question. At what price?

Answer. On the 19th of April I proposed to make 200 iron picket-pins at 25 cents each.

Question. To whom did you make that proposal?

Answer. To Major McKinsty. The following is a copy of the proposal:

"ST. LOUIS, *Missouri*, April 9, 1861.

"I propose to furnish the following articles, as per requisition of the 6th of April, 1861:

"200 iron picket-pins, at 25 cents each.

"50 wagon hammers, at 35 cents each.

"50 king bolts, at 90 cents each.

"50 tongue bolts, at 40 cents each.

"Yours, very respectfully,

"THOMAS HOOD.

"Major McKINSTRY, *Brevet Major, A. Q. M.*"

Question. What was done with your proposition?

Answer. I sent it to Major McKinstry.

Question. Did you hear from it afterwards?

Answer. No, sir.

Question. Did you afterwards furnish any picket-pins for the government?

Answer. No, sir.

Question. Do you know of anybody that did?

Answer. Yes, sir.

Question. Whom?

Answer. Child, Pratt & Fox, of this city.

Question. Do you know of other parties making pins for the government under the contract of Child, Pratt & Fox?

Answer. Child, Pratt & Fox had the contract, and other parties made the pins for them.

Question. At what price did those parties make them for Child, Pratt & Fox?

Answer. I cannot testify from positive knowledge, but only from hearsay.

Question. Could you have made them for 25 cents each?

Answer. Yes, sir.

Question. Do you know what Child, Pratt & Fox got for those they furnished?

Answer. I do not.

Question. Who made them for Child, Pratt & Fox?

Answer. Pauley & Brother.

Question. Do you know how many they made?

Answer. One order they had was for 5,000; but I do not know whether or not they filled the order.

Question. Are they still making them?

Answer. They were up to two or three days since.

Question. Did you accompany your bid with a specimen?

Answer. I did.

Question. Have you seen those made by Pauley & Brother?

Answer. Yes, sir.

Question. How do they compare in quality with those you offered to McKinstry for 25 cents each?

Answer. I would rather other parties should answer that question.

Question. What is your own opinion upon it?

Answer. I think mine are worth 25 cents more than theirs.

Question. Were yours heavier and better made?

Answer. Mine were longer than the ones I saw there.

Question. Did you at any time put in any proposition to make any other articles?

“Answer. Yes, sir.”

From the testimony of Pascal P. Child, a clerk for the firm of Child, Pratt & Fox, page 838, a single question and answer are quoted.

“Question. What did you charge the government for picket-pins?
Answer. 75 cents each.”

Thus it appears that three times the written offer of Hood was, voluntarily and without question, paid to this firm for an inferior article. James Blackman testifies, page 806, to offers of shoes for the army, made by him to McKinstry, of which no notice was taken by him while he was buying the same shoes through this firm, as appears by the testimony, at a very large advance. This is his statement:

“Question. What is your business?

Answer. I am a dealer in boots and shoes.

Question. Have you made any offers to the government to supply the army with boots and shoes?

Answer. At the commencement of our difficulties, knowing that the government would want a large amount of shoes, I took some samples up to Major McKinstry, as persons in other departments of business were doing, and showed them to him and gave him the price. I went up there a short time since to get the samples, but while I found other shoes there I could not find mine; I thought if I could get them I would know, from the price marked upon them, exactly what I offered them for.

Question. When you made that proposal what kind of shoes did you take up as a sample?

Answer. I offered him what we call a lined and bound pegged welt shoe. It was a light shoe, such as we use for our trade here, and of which we sell a great many. It is not calculated for army purposes, but shoes being scarce, and we having some of those on hand, I made an offer of them, supposing that they would be obliged to take anything they could get that would answer the purpose. I believe I offered them at \$1 25 per pair. That was our regular price for the shoe. The other shoe I offered was an unlined shoe of a low cut.

Question. Were they fit for army purposes?

Answer. Hardly; it was a common country shoe, and would not compare with the shoes we are now furnishing. It was a shoe of but one sole and a welt, while the shoes we are now furnishing have two soles. I offered that shoe at \$1 30 per pair. I had another shoe which laced up in front, which had a welt and one sole, and that I offered at \$1 40.

Question. What was the result of your proposal?

Answer. Those samples I placed upon Major McKinstry's table, and told him I could furnish him any amount of them. We were prepared to furnish a large quantity, as we were dealing largely—probably doing as much in our line as any other firm in the State.

Question. What is the name of your house?

Answer. J. S. Comstock & Co. My partner is about the oldest shoe dealer in the city.

Question. Did you receive a contract or order to furnish any of these shoes?

Answer. Major McKinstry merely made the remark that he would examine them.

Question. Have you at any time since dealt directly with the government in furnishing shoes for the army?

Answer. I have sold to outside parties, who I presumed were furnishing shoes to the government.

Question. To whom?

Answer. To Child, Pratt & Fox, of this city. I suppose they were for the government. At any rate they ordered goods from me, and I filled the order.

Question. How many shoes do you think you have furnished them?

Answer. Really I do not know that I can say; somewhere between fifteen and twenty thousand pair.

Question. At what price?

Answer. I believe they paid me \$1 25, \$1 33 $\frac{1}{3}$, and \$1 41 per pair, according to the quality.

Question. What was the character of the shoes?

Answer. The \$1 25 shoe was about such a shoe as I showed McKinstry at that price.

Question. What were the others?

Answer. I think they were about the same as I offered to McKinstry.

Question. You sold to them, as far as prices and quality are concerned, at about the same rate that you offered to sell to the government?

Answer. Yes, sir."

The profits to Child, Pratt & Fox on this article are made to appear from their vouchers, which may be found in the testimony, and from which it is shown that for nearly all the shoes purchased of that firm McKinstry paid \$1 75, and for none less than \$1 50.

But it was not in price alone that the government was defrauded by this unnatural and unjustifiable connexion between this firm and the quartermaster's department. The following extract from the testimony of John J. Witsig, (page 591,) will show how the soldiers in the field, as well as the treasury, were made to suffer that this firm might realize a magnificent fortune in making merchandise of the public calamities. It also shows with what shameful solicitude McKinstry himself sought to conceal the source of a palpable and gross fraud upon the government, if he did not prostitute his official position directly to its consummation. In what striking contrast stands out the noble answer of Mr. Filley to his insolence!

"Question. Do you know of any persons having contracts with the government?

Answer. I know of some persons who have contracts, but I do not know the nature of their contracts. I had but one interview with

Major McKinstry, and that was about shoes which were furnished to Colonel Brand's regiment—the 6th Missouri.

Question. State the circumstances of that interview.

Answer. I happened to be at Pilot Knob one day, and seeing Colonel Brand's men so poorly clothed, I made some remark, and he said everything furnished him was so poor and mean that the men were always barefooted and naked. Among other things, I requested him to give me a pair of shoes. He did so, and I had them opened by a shoemaker here. I showed the shoes, after they were ripped open, to O. D. Filley. There was about three-eighths of an inch in thickness of wooden sole, covered over with a thin skin of leather on the outside. Filley then insisted that I should go and show them to Major McKinstry. I did not want to go to him by myself, and so Mr. Filley went along. We there found out that the shoes had been furnished by Child, Pratt & Fox, but I never could find out the price at which they were sold.

Question. What did McKinstry say?

Answer. At first he was highly surprised that a private citizen should presume to meddle with the matter, and make inquiries about things which belonged to other men. He asked O. D. Filley what business he had to meddle with the matter. Filley told him he was too old to fight for his country, but that he was yet young enough to watch the rascals who were cheating the men who were fighting for his country. I had the shoes under my arm, and Filley took them and opened the sole and showed them to Major McKinstry. McKinstry immediately asked me by what authority I got the shoes. I told him I got them from Colonel Blood, by order of Colonel Brand, down at Pilot Knob. He then took the shoes, and half an hour afterwards they could not be found in the establishment. We had gone down there to see who furnished the shoes, and O. D. Filley said: "Do not lose sight of the shoes, for I want them." But McKinstry managed, in some way, to get between me and the shoes, and we never got them back. I then told McKinstry that I also had a sample of blankets furnished to the same regiment by the quartermaster. We did not know then who furnished the quartermaster with them. In going round, we found that Child, Pratt & Fox had furnished the shoes. One lot was furnished on the 16th of August and another on the 24th. As soon as we ascertained that, O. D. Filley said to me: "Let us go down to Pratt's and see what the charge for them was, as the quartermaster would not tell us what Child, Pratt & Fox had charged." Before we started, Filley told me to get the shoes. I asked McKinstry where they were, and McKinstry said he did not know where they were, and nobody in the office had seen the shoes, except Filley, McKinstry, and myself. Filley said he was not to be outdone. McKinstry said, hunt for them, and that was all the satisfaction we got. Filley said he would go down to Pilot Knob the very same day, and get another lot of those shoes. He did so, but instead of one pair, the whole lot were sent back to this city a little ahead of him.

As I have already said, before I left McKinstry's office I told him I also had a sample of the blankets which had been furnished the same regiment. He asked me why in hell I did not bring that sample up. I told him it was a hot day and I was tired, and I thought I would make two trips of it and give him the blankets another time. He said he wanted the blanket immediately. I said: "You shall have it." I went down and sent the blanket up to Major McKinstry's office by a friend of mine. When the man came to McKinstry's door he found a guard there ordered to receive the blanket. But at the same time I had ordered the man to deliver the blanket to McKinstry himself. He therefore came back with it. I went up with the blanket myself and tried to get in, but I could not. The guard at the door insisted on getting the blanket, as he had orders to get the blanket, but not to let me in. So I have the blanket yet, and I will send it to your committee. I am not a judge of the article, but I heard so much complaint that I got a sample from Bland. The blanket weighs more than is required. The objection is to the material.

Question. Had you been at the quartermaster's office frequently before that?

Answer. No, sir; I had been there but once.

Question. Did you ever meet a guard at the door before?

Answer. No, sir.

Question. Have you been there since, on business?

Answer. I have. I have occasion to go there every day.

Question. Is a guard stationed at the door now?

Answer. I must confess that that was the only day that a guard was stationed at the door. The guard was a cavalry man, with his sword. He said that the blanket could come in, but that I could not; that the major was busy. I had my own impression, that they wanted to do with the blanket as they had done with the shoes.

Question. Do you know of whom the blankets were purchased?

Answer. As I could never see Major McKinstry afterwards I never could find out from him from whom the blankets were purchased. O. D. Filley and I immediately went down to Child, Pratt & Fox to find out what they had sold the blankets for. Fox took us up stairs and spoke to the bookkeeper. The bookkeeper said it would be a long and tedious job to find out at what price they sold them. I told him I would help him a little about dates, and told him one lot was furnished on the 16th of August, and another lot on the 24th, according to the quartermaster's books. He turned over the leaves of his book for half an hour, but could not find the dates. Then O. D. Filley asked me what time it was. We found that it was half past ten, and at half past eleven Filley had to go down to find out something further about the shoes, and Fox said he would let me know what I desired the next day. But he never had time to tell me at what price the blankets were sold.

Question. What made you go to Child, Pratt & Fox about the blankets?

Answer. They did not deny but that they had sold the blankets.

Question. Please state where you got the blanket which you have produced here to-day.

Answer. At Ironton, Missouri.

Question. State the circumstances under which you obtained it.

Answer. I was out at Ironton one day with Captain Smith and another gentleman ; it was a hot day, and I had my coat upon my arm. I met several soldiers with blankets over their shoulders. I asked them if they were sick. They raised their blankets and showing me their bare backs, said they had nothing else to cover themselves with.

Question. They had pantaloons ?

Answer. Yes, sir ; but the holes were so large there was no need of unbuttoning them. That is the fact. And then they said the blankets were mean at that. I took hold of one of the blankets and saw that they were very poor. The very next morning I told Colonel Blood, of the sixth Missouri regiment, that he ought not to receive those blankets. He then told me that he had to take them or nothing. Then, after I had made some other remarks, he said he wished I would take one of those blankets up to the quartermaster, as he had written to him, McKinsty, a great many times and could get no answer. He asked me if I would make it my business to show one of them to Major McKinsty, that he might see what they were. I told him I would do so. He then gave me an order upon Lieut. Colonel Blood for a blanket, and that blanket is the one which I produce here now. In my testimony before the committee yesterday I explained my efforts to get the blanket to Major McKinsty."

To secure to this firm this monopoly, by which immense private fortunes were taken from the public treasury, all provisions of law and army regulations, requiring advertisement for proposals, and the contracting with the lowest bidder to furnish these articles, were totally disregarded, and the most unblushing system of favoritism and exclusiveness established that ever disgraced the service. Mechanics, with the products of their industry, freely offered to the government at fair and barely remunerative prices, were driven from the doors of the quartermaster's office, and compelled to sacrifice their products to this firm, only to see them turned over at exorbitant prices to that official who had denied them the poor satisfaction of receiving at the hands of the government a fair equivalent for the articles they furnished. By this system, every branch of industry whose products were in any way necessary to the department of the west was made to pay tribute to the firm of Child, Pratt & Fox. The profits made by this firm out of the United States by enjoying this monopoly were enormous. Cohan, its bookkeeper, admitted in his testimony (see page 868) that it would reach thirty-five per cent., which, upon a trade of \$800,000, secures the princely fortune of \$280,000, a tax upon the treasury of the United States which nothing but the most controlling reasons of military necessity would ever justify. So far as the examinations of the committee threw any light upon this question of profits, they were led to believe that the sum was much larger than is here admitted. But this sum is enough to call for explanation from those to whom the funds of the government are intrusted.

When the public credit has been strained to its utmost tension, and the patriotism of the capitalist appealed to for means to meet the exigencies that press upon the government, the country has a right to know why this enormous amount has been diverted from legitimate expenditure into the pockets of private individuals. The committee have sought in vain for any satisfactory explanation. They regret to believe that none exists. It appeared that much of this expenditure, and that where the largest profits were paid, was upon articles which, without the slightest difficulty, the quartermaster could have obtained at first hand of the mechanics, manufacturers, and furnishers of St. Louis and its vicinity. This he persistently refused to do. This firm would buy of its neighbor across the street, and then sell at the most extravagant advance to the quartermaster the very articles which that official had refused to purchase of those who made or furnished them, and that not in solitary instances, or through inadvertence, but so constantly that it became the rule of the office, and with a knowledge that this firm was thereby plundering the government. So open and gross had this practice come to be that it is as difficult to reconcile it with honesty as it is with economy. It was notorious that the junior member of this firm, Mr. Fox, had visited Washington and personally taken an active part in securing the restoration of McKinstry to the quartermaster's department at St. Louis, from which he had before, for some reason, been removed, and that these enormous profits in trade by the firm of which he was a member with that department began to be realized after his active interference had been supposed to contribute to the reappointment of McKinstry as its head. He had, while his firm was enjoying this monopoly of trade with McKinstry, contributed \$200 towards the presentation of a service of plate to Mrs. McKinstry, which cost over \$3,000, and to which contractors were told, by those soliciting contributions, that if they did not contribute they "would have trouble in collecting their dues from the government." He also contributed \$300 towards the horses and carriage presented to Mrs. Frémont, had a brother-in-law in the quartermaster's office under McKinstry, and a brother a contractor to furnish horses for that department, in whose behalf he procured of McKinstry twenty-five dollars on each horse more than the original contract price. His influence at the office of McKinstry was most potential, and of that he made merchandise in a manner most gross and venal. His presence there was as constant as that of the employés themselves. The relation which was thus built up and nursed through him between the firm of which he was a member and the quartermaster's department under McKinstry became an offence to all honesty, a serious reproach and damage to the public service. Is the government without redress? The committee think not.

This profuse and reckless expenditure of the public money frequently exhausted the funds in that department, and seriously impaired the public credit. On the 22d of October, as appears by the testimony of McKinstry's cashier, Hahn, (page 774,) the department still owed Child, Pratt & Fox, according to their accounts as then rendered, the sum of \$390,000. It must be borne in mind that

this was for goods furnished not upon any contract price, but for just such prices as that firm chose to charge for them, and that without any previous agreement. Some of the orders themselves stipulated that "a fair mercantile profit" was to be allowed to the contractor, but still leaving him to determine what shall constitute such profit. The following is a copy of one among many of a similar import :

"HEADQUARTERS, QUARTERMASTER'S DEPARTMENT,
" *St. Louis, September 2, 1861.*

"Mr. E. W. Fox will furnish quartermaster's department thirty thousand army overcoats, to be made of the best army material, and conform to army regulations and requirements. The exact cost of material, manufacture, and transportation to be furnished to this department, upon which the quartermaster will allow a fair mercantile profit to the contractor, E. W. Fox.

"J. McKINSTRY,
" *Major and Quartermaster.*

"A true copy :

"H. W. G. CLEMENTS, *Chief Clerk.*"

Therefore no considerations of law or good faith require the government to pay this firm one dollar of that balance now due, beyond what shall constitute a fair and reasonable market price for the goods thus furnished by them. The intelligent and upright quartermaster now in charge of that department, who has been many years in that branch of the public service, Major Allen, testified that ten per cent. beyond the first cost would be an extravagant profit to be allowed this firm upon its trade with that department. If this amount be deducted from the thirty-five per cent. which the firm admits to have been its profits charged, then there would still remain \$252,000 of unreasonable and extravagant charges of profits by this firm, which no principles of law, equity, or good faith require the government to pay. Let that much at least be saved.

DIVERSION OF MONEYS FROM THE PAYMASTER'S DEPARTMENT, FOR WHICH THEY WERE APPROPRIATED.

Your committee, learning that a portion of the sums of money appropriated by Congress for the specific purpose of paying the troops had been diverted, by order of Major General Frémont, took the testimony on that subject of Colonel T. P. Andrews, the deputy paymaster general in the United States army, stationed at St. Louis. Colonel Andrews has been in the service for forty years, and has discharged every duty imposed upon him with unsurpassed fidelity. Your committee desire to call particular attention to the testimony of Colonel Andrews, exhibiting as it does a flagrant and wanton violation of law and exercise of power by the major general commanding the department. His order to Colonel Andrews, as the deputy paymaster general, to pay the requisition for funds disbursed at the recruiting office of Captain Schwartz's battery, being for advertisements, posters, stationery, runner's wages, rent, &c., was in defiance of law and

army regulations, and not justifiable on any possible ground of necessity. They were expenditures of that character which, if payable by the government at all, no paymaster of the army had any right to pay; but they were chargeable to another and distinct fund. No officer charged with the disbursement of funds of a particular department has any right whatever to divert those funds to any other channel; and if he do so, he does it in violation of law, and at his own peril.

After testifying in relation to the original presentation of the account of Captain Schwartz, Colonel Andrews continues :

“The account was not properly presented to our department.

Question. Was it within the provision of law that you should pay such an account as that?

Answer. It was not, nor in any regulation or authority I had from any source.

Question. You had neither in law, army regulations, or orders, authority to pay it?

Answer. No, sir.

Question. Relate what transpired in relation to that account.

Answer. I stated to the person who first presented it that I had no authority whatever to pay such an account, and that I should violate everything like propriety if I paid it. Two or three days afterwards the account was presented to me with a peremptory order from General Frémont to pay it. Supposing that he labored under some misapprehension, I told the person who presented it that I would go and see General Frémont upon the subject and explain the matter to him.

Question. Who was the person who presented it?

Answer. Captain Schwartz. As I was about leaving the room to go and see General Frémont, Captain Zagonyi, the captain of the body guard, and who had come in with the bearer of the account, said he had an order in his pocket from General Frémont to arrest me and place me in the custody of Colonel McNeill, who commanded the home guard and prison in the city, unless I paid the account immediately. I asked him to give me the order as my justification for yielding to force and for passing the account. He declined doing that, but said that I might take a copy. I commenced to make a copy; but he then said that as the order was not to be executed unless I refused to pay the account instantly, he could not let me copy it, but said I might take a memorandum or note of it. I told him that was the same thing, and I took a note of it in the following words:

“Captain Charles Zagonyi called on me with Captain A. Schwartz and showed me General Frémont’s order of this date, ordering him, if I did not pay the within account to Captain Schwartz, to arrest me and place me in the custody of Colonel McNeill, commanding the home guard in this city, for confinement.”

Question. What did you do then?

Answer. I thereupon paid the account.

Question. Was Captain Zagonyi accompanied to your office by a file of soldiers on that occasion?

Answer. He was fully armed himself, and I understood that he had a file of six or eight soldiers near by to assist in executing the order.

Question. Did you yield to this force?

Answer. I did and obeyed the order.

Question. What did you do after having paid the account?

Answer. I reported the circumstances to the head of my department, Colonel Larned, at Washington, and asking to be relieved from the station."

Thus it appears that the deputy paymaster general of the United States, in the legal, faithful, and conscientious discharge of his official duty, having declined to pay a requisition on his department which was glaringly illegal, was ordered to be put under arrest and placed in custody of the commander of the home guard "*for confinement.*" It is perhaps to be regretted that Colonel Andrews yielded to this force and paid the illegal demand, instead of suffering himself to be arrested. But, in obeying the order, he was undoubtedly influenced by the highest and best motives.

But there is another and further transaction in this connexion which is of a character still more unjustifiable and alarming, and which, in the judgment of the committee, deserves the severest reprehension. It is explained as follows by Colonel Andrews:

"Question. What further transactions, if any, have you had?

Answer. Before that transaction I received a message from General Frémont to call on him. I was then out of funds, and he was exceedingly anxious to have a regiment paid that was about leaving the city. I did not think it at all important, or that the regiment had any pressing claim for payment. But he insisted upon it, and wished me to raise money in St. Louis. I told him I could not do it; that I had no credit, and scarcely any acquaintance with the moneyed men here. The result of the interview was that he requested me to send the assistant treasurer of the United States to him. I saw the treasurer, and sent him to General Frémont. The next morning his adjutant general asked me to step into his office. On doing so he handed me an order, which I did not read, but of which he told me the contents, which were that I was to go to the treasury and demand \$100,000 from the treasurer of the public funds which were there, which belonged to the Secretary of the Treasury, and if he did not yield to the demand, the same order would furnish me with a regiment of troops to go and take it. I handed the order back to the adjutant general, Captain Kelton, of the regular army, without reading it, and begged him not to insist on my taking it. I told him I would go and see the treasurer, or his cashier, and try to obtain a credit from him for one-half of a remittance on its way, as I believed, from Washington, of \$200,000 for me. I saw the cashier, and as he had received a notice, as well as myself, of the remittance, he credited me with \$100,000, and the order was, therefore, never executed. I would like to add that I told the adjutant general that I would not execute the

order if given to me, but would try to obtain the money if I could, on the strength of the notice which I and the treasurer had of the coming of the remittance."

The extraordinary character of this order will be more fully comprehended when it is understood that there was no pretence of any military or other necessity to justify such an outrage, and that General Frémont had no more right in that case to order the government money in the vaults of the sub-treasury, at St. Louis, to be seized, than the commander of the department at Washington would have to order a regiment of soldiers to break into the public chest in the treasury building, and take whatever sum of money that might there be found, under any pretence he might choose to assign.

Further attention is called to the testimony of Colonel Andrews, and particularly to that part of it containing copies of the orders for the illegal transfer of funds belonging to the pay department to other purposes; and also the order of General Frémont to pay "Brigadier General Asboth, United States volunteers," the full pay and emoluments of a regular brigadier general of the United States army, when it was understood that the said Asboth held no such appointment from the President of the United States.

The general order making the announcement of the staff of the major general commanding the department is to be found in the testimony of Colonel Andrews. Though in the army for nearly forty years, he was unable to fix the status of the "musical director," the "adlatus to the chief of staff," the "military registrator and expeditor," the "postal director," or "the police director," as designated in the said order.—(See testimony of Colonel T. P. Andrews, pages 612 and 613.)

SHIPMENT OF ICE FROM ST. LOUIS TO JEFFERSON CITY.

On the 3d of October, 1861, General Frémont made a requisition for *five hundred* tons of ice, to be sent from St. Louis to Jefferson City, which was promptly filled by Dr. Alexander, the medical purveyor at St. Louis. The cost of the ice was \$4,500, besides the cost of transportation. There appears to have been no fraud connected with the ordering of this ice, but the transaction shows the recklessness and extravagance which prevailed in the department, even in the smaller matters. Dr. Wells, the intelligent post surgeon at Jefferson City, was not consulted at all in relation to the necessity of ice being sent to that port. He testifies on the subject as follows:

Question. Was there any medical necessity for sending such a quantity of ice to Jefferson City?

Answer. Not the least. I had, as post surgeon, bought an ice-house with its contents; I do not know how much, but, from a rough estimate, enough, I supposed, to supply the hospital. I ordered the hospital steward to issue 50 pounds of ice a day from that ice-house—enough for hospital purposes.

Question. State your opinion as to there being any necessity for any more ice for the hospital.

Answer. I do not think there was any necessity for sending for any more ice. I do not think the sick required any more ice than we had on hand. I thought the supply of ice on hand would be sufficient, with proper economy, to answer all demands upon it.

* * * * *

Question. Was any consultation had with you, as post surgeon at Jefferson City, in relation to the necessity for this ice?

Answer. None whatever.

Question. Was it not proper that you should be consulted about it?

Answer. I should think so.

Question. If application had been made to you, what would have been your advice?

Answer. I should have advised not to send it.

Question. What is going to become of that ice?

Answer. I presume it will melt. That which cannot be got into the ice-houses must melt very soon.

Question. And be a total loss to the government?

Answer. Of course. I cannot say positively that the ice was intended for Jefferson City.

Question. Would it be practicable to carry that ice along with the army?

Answer. It would require a vast number of teams to take along 500 tons.

Question. Have you had any directions, or heard of any directions being given, to send that ice out after the army?

Answer. No, sir.

UNAUTHORIZED REMOVAL OF TROOPS.

During the sittings of the committee in St. Louis they learned that the 39th regiment of Illinois volunteers, better known perhaps as the "Yates Phalanx," had been ordered to be removed from Benton barracks, in St. Louis, to Williamsport, in the State of Maryland. This regiment had been mustered into the service at Chicago, and was ordered *west* from Chicago, to join General Frémont at St. Louis, at an expense of from six to seven thousand dollars. As connected with the contract for the transportation of the regiment, your committee deemed it a duty to make some inquiry in relation to its transfer from St. Louis to the *east*, when at the same time it was understood that other regiments were going from east to *west*. It appears from the testimony of Captain McKeever, the assistant adjutant general on the staff of General Frémont, that on or about the 25th of October, Ward H. Lamon, esq., arrived in St. Louis. Captain McKeever understood that he was the same gentleman who held the office of United States marshal for the District of Columbia, (see McKeever's testimony, page 1051.) About the same time, Captain McKeever received a note from Colonel Eaton, military secretary of General Frémont, stating that the gene-

ral wished him (McKeever) to order the 39th Illinois regiment to proceed to Virginia, to join "General Lamon's brigade." Mr. Lamon (who then had on the uniform of a brigadier general) told Captain McKeever that he had four regiments in his brigade, and that he was to receive a commission of brigadier general; that his mission to St. Louis was to get an order from General Frémont for the removal of this regiment, which McKeever understood him to say had been promised some time before by the President. The following is a copy of the order:

"Special Orders, } HEADQUARTERS WESTERN DEPARTMENT,
 "No. } St. Louis, Mo., October 26, 1861.

"The 39th Illinois volunteers, *Colonel Light*, is relieved from duty in this department, to serve in *General Lamon's* brigade in Western Virginia. The regiment will proceed to Williamsport, Maryland, taking three days' cooked rations.

* * * * *

"By order of Major General FRÉMONT.

"CHAUNCEY McKEEVER,
 "Assistant Adjutant General.

"Official: Adjutant General's Office, December 5, 1861.

"GEO. D. RUGGLES,
 "Assistant Adjutant General."

The cost of the transportation of this regiment from St. Louis to Williamsport, Captain McKeever said, would be somewhere about *thirty thousand dollars*, and that he knew no object to be accomplished by the transfer except to give "General Lamon" an additional regiment to fill up his brigade. In answer to the inquiries of the committee, the Secretary of War states that there is no law authorizing any commander of a department to send troops to other departments without special orders from the Secretary of War or the commander-in-chief, and that, consequently, the removal of the thirty-ninth Illinois regiment was made without proper authority. The Secretary also states that his "department is not informed of the military or other reasons that existed for the transfer of the said regiment as aforesaid."—(See letters of the Secretary of War, Appendix "I.")

Edward H. Castle, who, at this time, had charge of the railroad transportation in the western department, states that on Saturday evening, the 26th of October, Mr. Lamon was introduced to him as a brigadier general from Washington, and that he was "wearing the dress of such a military officer." His object was to have Castle send him the next day (Sunday) by special express train from St. Louis to Springfield, Illinois, at the expense of the government. Castle was, apparently, very much flattered in being introduced to so high a dignitary as a brigadier general, all the way from Washington to St. Louis. He ordered an engine and car for the express purpose of not

only taking Mr. Lamon to Springfield, but several of his friends. In going from St. Louis west to see General Frémont, Castle provided that Mr. Lamon should not only go free of expense, but he directed his express messenger to "show him attention and contribute to his comfort." It turns out, from the letter of the Secretary of War, that this gentleman, who proclaimed himself a brigadier general, and who was wearing the insignia belonging to that distinguished rank, had no such appointment. All such pretences were unfounded, and, as your committee understand, was also the pretence that the President had told him that he might take this regiment. He seems to have made use of his official position as marshal for the District of Columbia, and his assumed position as a brigadier general, to secure his object of removing the regiment, and in travelling in special trains at public expense. Your committee believe, with Captain McKeever, that the removal of the regiment had no other object except the gratification of Mr. Lamon. But at such a time as this, when every dollar in the treasury is needed to crush out the rebellion, they submit that the sum of thirty thousand dollars is too large a sum to be expended for the purpose of flattering the vanity of any single individual. The removal of the regiment was not only without authority of law, but was inexpedient and without justification. Thirty thousand dollars of the public money has been worse than squandered in this transaction, which should receive unqualified condemnation. Mr. Lamon had no authority whatever to travel in special trains at the public expense, and he should be called upon to refund the amount paid for the special train which took him and his friends from St. Louis to Springfield. If he shall not do so, the proper accounting officers of the treasury should ascertain what that amount is, and deduct the same from his salary as marshal of the District of Columbia.

It may be stated in this connexion that it is believed by your committee that there have been great abuses, in the military service, in the system of granting railroad passes, and that the government has been put to unjustifiable expense in transporting people who had no claim upon it whatever. It is an abuse which should be speedily corrected.

ROTTEN AND CONDEMNED BLANKETS.

Edward M. Davis is an assistant quartermaster United States army, and was a member of the staff of General Frémont. The son of this assistant quartermaster, Henry C. Davis, a young man of twenty-two years of age, and a clerk in a store in Philadelphia, sent samples of some blankets to St. Louis, in consequence of which General Frémont himself gave an order to Quartermaster Davis for some twelve or fourteen thousand dollars' worth of them. On their arrival at St. Louis word was sent to Captain Davis that the blankets were rotten. A board of survey was appointed, consisting of three regular army officers, to-wit: Captain Hendershott, Captain Haines, and Captain Turnley, and the following is a copy of the report of the board of survey:

“ST. LOUIS, Mo., *September 5, 1861.*

“The board met pursuant to the above order, present all the members, and examined the blankets presented by the chief quartermaster of the department as received from Henry C. Davis. The bills of the blankets were also presented.

“The board examined three different kinds of blankets from the bales presented for their inspection, and found them *all* rotten, and one kind made partially of cotton; and the board is of the opinion that the blankets are all entirely unfit for issue to troops, and should not be received by the United States at the prices indicated by the bills, or, indeed, at any price, as they are considered valueless for service.”

After this report was made, Captain Davis made such representations to General Frémont, in regard to the action of the board, that a resurvey was ordered by the general. The same board reassembled, and Captain Hendershott and Captain Haines reported that they reaffirmed their former report, and that, in “the opinion of the board, the blankets are all unfit for issue to the troops, being all of a quality inferior in strength, warmth, and durability to the blankets usually issued to soldiers.”

One of the board, Captain Turnley, the assistant quartermaster United States army, who impressed your committee as being a faithful, vigilant, and competent public officer, modified his former report, and put his reasons on record, as follows:

“I do not entirely agree with the preceding views expressed. The blankets are thin, light, and inferior to the usual army blanket; are made (*not* of all wool) but half wool and half cotton. One blanket will not answer the soldier, but *two* at least should be supplied, and even then should be *lined* with cloth. These blankets, however, range from \$1 45 down to \$1 18 per blanket, while the usual army blanket is from \$3 75 to \$4 each. I consider these blankets *cheap*, and also as good an article as can be *had at the price*. The *troops need* the supplies. Have not time to *get the best*. I recommend the blankets be issued at the rate of *one pair* to each man, of the higher price and heaviest, and *three* blankets to the man of the lighter one.”

The suggestions offered by Captain Turnley met the approbation of the general commanding, and the blankets were taken and paid for.

But the testimony discloses that an extraordinary and most disgraceful fraud was practiced in this connexion. In presenting his dissenting views, Captain Turnley laid great stress upon the fact that the blankets were cheap, ranging from \$1 45 down to \$1 18 per blanket. When the board convened for a resurvey, the bills of purchase were before it, which Captain Turnley says came by mail from Philadelphia, and he thinks were handed to him in General Frémont's office by Captain Davis. Instead of being the bills rendered to the United States by H. C. Davis, who sold the blankets, and which were paid for, they were the original bills rendered to the said H. C. Davis by the merchants of whom he purchased. The bill of Davis to the United States is set out in Capt. Turnley's testimony, (page 788,) where it will be seen the prices ranged from \$3 85 down to

\$2 37 a blanket. Here is what Captain Turnley says in his testimony in regard to this matter. The bill rendered by H. C. Davis to the United States was handed him by the committee, and he was asked the following

“Question. Is that the bill which you had before you upon your second examination, and upon which you based your report?

Answer. That is not the bill I saw.

Question. By whom was the bill which you saw upon that occasion given to you?

Answer. It came by mail from Philadelphia, and I think it was handed to me in General Frémont's office.

Question. By whom?

Answer. By Captain Davis. I know it was handed to me by some one in the office as my criterion to go by.

Question. I see that the first charge in this bill which has been submitted to you is “200 brown gray blankets, at \$3 25.” That is so much per blanket, and not so much per pair. Can you explain that?

Answer. The bill rendered to me was not in that shape. In the original bill it was so much *per pair*.

Question. If this bill had accompanied the invoice of blankets, would those blankets have passed your inspection, and would you have made the recommendation you did in regard to them?

Answer. No, sir.

Question. Was there another and different bill from this before you at that time ; and if so, in what did it differ?

Answer. The bills submitted to us were composed of five or six bill-heads of the houses from whence the blankets came. Those I examined, and I found the blankets very cheap, and on that account principally I dissented from the opinion of a majority of the board.

Question. Were you made aware of the fact that H. C. Davis, who was selling these blankets to the government, was a son of Captain E. M. Davis, of General Frémont's staff?

Answer. No, sir. I saw that the names were the same, but it did not suggest itself to me to make any inquiries. I had not satisfactorily ascertained that Captain Davis was an officer of the army, and I supposed that if he was he knew he could have nothing to do with the matter one way or the other. * * * *

Question. I desire to call your attention once more to the matter of the blankets. In the original paper which you have submitted to the committee as the proceedings of the second board of inspection, I find interlined, in blue pencil mark, over the word “blanket,” in the sentence “range from \$1 45 down to \$1 18 per blanket” in your recommendation the figures \$3 54. Can you explain that interlineation?

Answer. The interlineation, in blue pencil mark, of the figures \$3 54, I know nothing about, and they were inserted by some person unknown to me.

Question. Your understanding, then, was that these blankets were

to be put in to the government at prices ranging from \$1 45 down to \$1 18 each?

Answer. Yes, sir; and that was the reason why I considered them very cheap.

Question. And the lowness of the price was the only reason why you recommended that they should be accepted and distributed?

Answer. Yes, sir.

Question. Please again look at the voucher for these blankets, as settled for by the government with H. C. Davis, and certified to as a true copy by Captain E. M. Davis, and state whether the bills presented to you at the time the board reassembled were in accordance with that voucher, or whether the bills presented to you were for a higher or lower price?

Answer. The copy of voucher for blankets of H. C. Davis, of August 14 and August 16, does not contain the prices of the blankets examined by me, and referred to in the proceedings of the board of survey which I have presented.

Question. In what respect do they differ?

Answer. This voucher contains higher prices for the blankets. The prices in this voucher are much higher than the prices contained in the bills presented to me upon the board of survey.

Question. After the first meeting of the board of survey upon these blankets, and its report, did you call upon anybody and request the privilege of re-examining those blankets, or were you applied to for that purpose?

Answer. I was applied to for that purpose, and expressed a willingness to do so. After being told that we examined wrappers instead of blankets, I was anxious to examine the blankets again.

Question. But you made no application in the beginning for the privilege.

Answer. None whatever, that I recollect.

Question. Was it true that the examination of the board in the first instance was confined to the wrappers merely?

Answer. It was not; it is true that in the first examination they did not go into the centre of the bales generally, blankets near the outside being easier to pull out. *I must say I am surprised at the bill of blankets which you present me.*"

Thus it appears that when the trouble arose in regard to the blankets, and Captain Davis, taking advantage of his official position, had obtained a resurvey, the grossest deception and fraud was practiced, in placing before the board different bills from the bill rendered to the United States. For instance, the government paid H. C. Davis \$3 85 for a blanket, for which he undoubtedly paid no more than \$1 45, and yet the board was made to believe that it only cost the government this last named sum of \$1 45. That would leave a profit of \$2 40 on a blanket costing the sum of \$1 45. There is no doubt on the minds of your committee that Edward M. Davis, an assistant quartermaster of the United States army, while acting in his capacity as such quartermaster, and bound by every consideration of

honor and public duty to protect the interests of the government, which he was paid for serving, and the protection of which he was enjoying, was a party to this fraud. He obtained the order from the general commanding to buy blankets, and he sent the order to his son, because he thought his son "could make a profit, as well as anybody else, in the matter." He must have known the prices his son paid for them, for he put into Captain Turnley's hands the bills showing the amount his son paid to the parties of whom he bought; and he must have known the quality, for he bought by sample. He knew the price which was paid for the blankets by the government, as he paid the amount himself, and certified it as "correct and just."—(Page 788.) He must have known, also, that blankets only costing from \$1 45 down to \$1 18 were unfit for the troops to use, and that they must necessarily be deficient in strength, warmth, and durability.

Your committee believe that an officer of the army thus connected with a fraud upon his own department is unworthy of the position he holds, and that when the facts become known he will be relieved from the service.

THE ROOFING OF BENTON BARRACKS.

Mr. J. B. Cristy, a practical roofer, and a responsible man, made a proposition for roofing the buildings then about to be erected for barracks near the fair grounds in St. Louis. He put in his proposition to do the work in one of four ways. No notice whatever was taken of it, and the job was given to another party—a man by the name of Almon Thomson, who figures extensively in the horse contracts. The price he obtained was \$3 50 a square of 100 feet, and for precisely the same kind of roofing that Cristy had agreed to put on for \$2 50 a square of 100 feet, in his proposition, of which no notice was taken. The pretences that Cristy could not do the work, or give the security for the performance of the contract, were unfounded. It is apparent from the testimony that there were other reasons, and that at least *one man* connected with the quartermaster's department was using his position to defraud the government. This man was ——— Ogden, the architect, who was proposing to sell out the contract to the man who would pay him the most; and in the proposed arrangement the amount that Ogden would get would come directly out of the government. It is in evidence that Ogden made two agreements to sell the giving out of the contract—the first to Henry Clapp, for his draft on McKinstry for \$700, drawn in favor of a stool-pigeon by the name of P. L. Beirce, and the second to William S. King, for the larger sum of \$1,450, by the same kind of draft. In King's case Ogden himself drew the form of a draft for King to sign. King, in his testimony, states that Ogden came to his house to see him, on the evening of the 14th day of August. He continues, (pages 650 and 651:)

"The understanding was then that I should have the job at \$3 25 a

square. I was going to do it at \$3, but Ogden suggested that I should add 25 cents. I gave Ogden some blank paper, and he wrote on it:

“AUGUST 20, 1861.

“SIR: Please pay the bearer, P. L. Beirce, the sum of fourteen hundred and fifty dollars, and stop the same on my contract. Said money has been used in the purchase of materials.

“Major J. McKINSTRY, *Assistant Quartermaster.*”

That was written for me to sign. It is dated the 20th of August, a day subsequent to the time when the contract would be let, although it was written on the 14th of August, a time previous to the letting of the contract. That is a copy of the instrument drawn up by Ogden himself, in my presence. I copied it on another piece of paper, and signed it. I said, “Suppose I do not get the contract, or suppose I die, that instrument will be out against me.” He said, in that case, it would not amount to anything. He said, “If you do not get the job, of course the paper will never be paid.” So it remained in that way. I did not intend to say anything about this. The fact is, I was afraid to open my mouth.

Question. Did Ogden ask you to say nothing about it?

Answer. He did.

Question. When?

Answer. He asked me to come up to his office one day.

Question. When?

Answer. The day Clapp was arrested.

Question. What did he say to you about this matter?

Answer. He asked me not to say anything about our transactions. I told him I was the last man that would do it. But here, being under oath, I am compelled to state the transaction.”

Clapp in his testimony (page 731) gives his account of his arrangement with Ogden. He went to Ogden's office on one Sunday, and found the man Beirce there. He says:

“Ogden spoke to me one side, and said, “The work would be let tomorrow, Monday, and I want a draft from you.” We figured up the work, and ascertained that it would amount to about 3,000 squares. We talked about 25 cents a square going to him. We had talked about \$3 75 a square. I told Ogden that I could afford to do it for \$3 25 a square; and I proposed to him that if I could get that, he might fix it as he chose. He said, “Fix the bid at \$3 50, and give me a draft for \$700.” I said I could not give him a draft. He said he could manage that. He handed to me a form, and requested me to look it over. It was substantially this: “Major McKinstry: Please pay to the bearer, P. L. Beirce, the sum of \$700, against contract for materials furnished.” I told him, of course, that if I did not get the contract the paper would be of no force against me. I then signed it. I copied the form which he handed to me, and signed it, and handed it over to one of them, but I do not know whether Ogden or Beirce got it. They were both present.

Question. He wanted you to fix it in that shape so that he could secure the \$700 if you got the job?

Answer. Yes, sir. He did not want to leave anything unsettled. He wanted to secure the money out of the funds which would come into my hands. I think I dated the draft on the 14th, which would be one day after the work would be let, provided it should be let on Monday, as he said it would be."

Reference is made in this connexion to the testimony of Charles H. Pond in relation to the conduct of the quartermaster on the occasion of the exposure of the bribes which Ogden proposed to take for giving out the contract for the roofing. Clapp was brought summarily before Major McKinstry, who questioned him in regard to the matter. He says in his testimony, (page 733:)

"The first question he asked me was if Ogden ever demanded of me one dollar or five hundred dollars for getting the contract for the roofing for me. I said as little as I could, and I told him no, that I did not demand it of him. He asked me if I ever executed a draft to Ogden for \$700. I said no, not to Ogden. He asked me if I executed a draft to anybody. I said yes, that I had executed a draft to a man by the name of Beirce. He asked me who I drew upon. I told him I drew upon him. Said he, "Did I owe you anything?" I told him he did not. He then turned to Pond and said, "Did Clapp represent to you that he had given a draft to Ogden for \$700?" Pond said that he understood me to say so. McKinstry then remarked, "You are an old man, and entitled to be believed; but this young man is a liar, and I will send him to work upon bread and water."

Refusing to hear any explanation from Clapp, McKinstry called a file of soldiers to take him off to work on bread and water, but finally drew up the following writing, which Clapp subscribed and swore to:

"ST. LOUIS, *August 23, 1861.*

"Having charged Mr. Ogden, the architect of the government, with fraud in the management of the business intrusted to him by the quartermaster, I hereby revoke said charge and relieve him from the same.

"I hereby swear and declare that I am a good loyal citizen of the United States, and will do all that is in my power to uphold and protect the same; that I will not, directly or indirectly, give aid or information to the enemy in any manner or form.

"HENRY CLAPP.

"Sworn to and subscribed in presence of—

"S. P. BRADY,

"S. B. LOWE."

Clapp further states that this paper was signed and sworn to under duress, and the circumstances leave no doubt of the fact. Yet he was not under duress when he corruptly agreed to pay Ogden seven hundred dollars for obtaining the contract for him. Both he and King were guilty of criminal acts in offering to buy the contract of Ogden,

but neither seemed to be aware of the real criminal character of the transaction. As to Ogden, he was an agent of the government and in its employment in an important capacity. But he grossly violated his trust and attempted to rob the government he had been employed to serve.

But neither King nor Clapp obtained the work. Neither did the honest mechanic Cristy, a practical roofer, get it, though he put in a bid at \$2 20 per square of 100 feet. Another man, Thomson, obtained it, as heretofore stated, at \$3 50 per square of 100 feet, from McKinstry, who took the matter in hand himself. The roofing, as put on by Thomson at the price stated, could, according to the testimony, have been put on for \$2 15 a square.

The consequence is that the government got a poor roof at a big price, the result of corrupt official action.

As illustrating the state of things existing in St. Louis at this time, particularly as connected with the quartermaster's department, joined with the office of provost marshal, your committee quote from the testimony of Charles H. Pond. He had heard of the transaction between Ogden and Clapp, and he told of it in the street, and said he "did not like that thing." Pond says:

"The thing passed off, and McKinstry, I am told, heard that I had told in the street that the quartermaster's department was swindling the government. I had told Bay this story, and Clapp had told several others. Major McKinstry summoned me before him forthwith. I appeared at his office the next day after I got the summons, between nine and ten o'clock in the morning.

Question. What kind of a summons was it?

Answer. A summons somewhat like this: "I order you to appear before Major McKinstry, the provost marshal, forthwith."

Question. By whom was it signed?

Answer. I cannot say now. I got up there, but had not the least idea what was to pay, and I began to grow scared, for I had been a Union man, and never broke any law in my life, I think. He took the summons and laid it on the table, saying he would attend to my case in a minute. He sat awhile and fingered over the papers a few minutes. "Now," says he, "I want to know what you have to say. *God damn you, I will put you on bread and water in the arsenal if you do not prove this thing.*" I got tremendously scared, seeing the soldiers all around there. Mr. John How stepped up and whispered to McKinstry. McKinstry then said, "I understand that you are a loyal man, but it is no credit to me to be a loyal man." He cursed and swore a great deal about my talking about this matter in the street. I had spoken, in fact, to only one man about the matter. Said he, "If you do not prove it, *God damn you, I will put you in the arsenal upon bread and water.*"

Clapp was brought before McKinstry, as provost marshal, and in relation to that, Pond continues:

"When he got Clapp before him he cursed him up hill and down, and scared him so that he could not say a single word; a file of sol-

diers being all around him, he could not utter a word, I then asked Clapp if Mr. Ogden did not agree to give him \$700 if he would get the job of roofing for him, and whether he had not given Ogden a draft for that amount upon McKinstry. McKinstry said, "Stop, don't answer that question; I am lawyer enough to ask this man all the questions I want him to answer." Then he asked Clapp, as near as I can recollect the words, "Did you give Ogden any money, five hundred dollars, or one dollar?" Clapp said, "No." Then Clapp said he would like to explain. Says McKinstry, "You stop," and he stopped him right where he was. Says he, "Did you agree to give him five hundred dollars, or one dollar?" Clapp said, "No." "Then," said McKinstry, "I will confine you five days upon bread and water unless you recant that thing immediately," at the same time calling in the sergeant to take him right off. Said Clapp, "If you will give me an opportunity I will explain the thing," but McKinstry would not allow it. Clapp says that Ogden drew the form of a draft for him to sign, to pay O. L. Beirce, a friend of Ogden's, the sum of \$700.

Question. On whom was the draft drawn?

Answer. On McKinstry.

Question. Was the draft for \$700 or \$750?

Answer. It was to have been \$750, but Clapp had jewed Ogden down to \$700, as he told me. The soldiers were then brought in, and Clapp was forced to sign an oath of recantation, which oath was published in the papers about that time."

TRANSPORTATION, WAGONS, HARNESS, HORSES, MULES, ETC.

The honest and straightforward testimony of Captain James M. Bradshaw, a quartermaster of the United States army, in the volunteer service, and who Major Allen says is a "thoroughly honest man," gives an account of the frauds which are perpetrated, and the loose, irregular, and scandalous manner in which things that came under his observation were managed.—(See testimony, page 565.)

Captain Bradshaw seems to have had such troubles as a faithful public officer might have expected, standing between the government and a gang of rapacious contractors. His troubles with Worth and Palmer because he would not sign their vouchers to suit them, their displeasure because he would not allow them \$68 for sets of harness costing \$48, and made by an arrant secessionist at that, are all set forth in his testimony. In answer to a question what he knew of the connexion of Palmer and Haskell with purchases for the army, Captain Bradshaw makes the following answer, which illustrates the manner in which middle men, in so many instances, manage to get between the original party holding the articles which are wanted, and the government:

"Question. What knowledge have you of the connexion of Palmer & Haskell with purchases for the army?

Answer. Captain Turnley told me that he received an order from General Frémont, stating that there were 6,000 overcoats here which

the army needed very much, and that he should try to strain the credit of the government, and get the overcoats. Turnley went to a man who had money here, and told him what General Frémont wanted, and asked him if he would advance the money for them. He said he would do anything to accommodate Frémont or the government, and inquired how much money it would require. Turnley said he would see the man who had the overcoats. He did so, and found that the man wanted \$8 each. That would make the amount required \$48,000. Turnley perfected the arrangement for raising the money, and then went after the overcoats. He was informed then that the overcoats had been transferred to other parties for the government. Turnley went to see them, and they said they wanted \$10 60 apiece for the overcoats. Turnley then said he would have nothing to do with the overcoats. I understood that these parties were Palmer & Haskell.

Question. What other contracts had those parties for furnishing articles to the government?

Answer. I know of none, unless it was for forage. They furnished a large amount of hay and oats. There were some 36,000 bushels of oats taken to Jefferson City, *and they lie there now on the bank rotting.* My wagon master came back from there yesterday, and he told me so."

It was undoubtedly true, as Captain Bradshaw further stated in his testimony, "whenever the government needed anything these men were always on hand to get the government to buy of them, and when a man wanted to furnish anything they seemed to be there."

Your committee further quote from Captain Bradshaw's testimony:

"Sometimes orders would come to me for other property, and I would want it done according to the regular way of doing business, but could not get it done. General Frémont once sent me word that he had not time to do that, and that I must issue everything that men wanted immediately and without delay. I have done so, and have sent off hundreds and thousands of dollars' worth of property without any written orders. I sent off 100 wagons by General McKinstry's order. The whole burden of sending off property has fallen upon me, and I have no receipt for what I have sent away, though it was my duty to get receipts.

Question. When you asked that the army regulation should be complied with, you were ordered by superior authority to furnish the articles without receipts or anything else?

Answer. Yes, sir; and that I must not delay the matter. Property is frequently sent to certain points, and the quartermasters to whom they are sent send back word that the property does not come according to the invoice of the goods to them. At stations where the goods pass the regiments there take off whatever they want; if they want wagon bows, they would take them; if they wanted wagon tongues, they would take them; and so it happened that very few of the articles went entire if they could possibly be divided. So, much of the property never got to the place of destination. I sent ten wagons up the country to somebody, and General Seigel took them for his own use before he got there, and then another general took

the wagons from Siegel, and I got no receipt for them. I have no receipt for anything I sent up to Captain Nevill, quartermaster at Jefferson City, and he denies that he has received anything. I suppose I am in for some two or three hundred thousand dollars' worth of property. I know I have not appropriated it to myself, but it is scattered to the winds, and I do not know that I shall ever get my accounts straightened out."

A FIVE THOUSAND DOLLAR COMMISSION.

David Pratt states (see his testimony, page 941) that Governor Barstow, of Wisconsin, was in St. Louis "some time, making efforts to gain a colonelcy commission." Pratt seems to have been in that locality long enough to know the way in which things were going on, and he suggested to Barstow that Judge Edward P. Cowles, then tarrying in St. Louis, formerly judge in the State of New York, and resident of the city of New York, could obtain it for him. Whereupon Barstow told Pratt if Cowles would go up to the "Tycoon" and get that commission he would give him five thousand dollars. It would appear from the testimony of Pratt that the great dispenser of commissions, contracts, &c., at the headquarters, was known, in the mystical language of the hangers-on for contracts and commissions, as the "Tycoon." Pratt was the agent of a New York house dealing in cavalry equipments, and to ingratiate himself with Barstow for the purpose of turning an honest penny in peddling his wares in case Barstow was successful in getting his commission, was willing to become the go-between for Barstow and Cowles. Pratt drove the bargain with Cowles, who went with General Frémont to Jefferson City and obtained the commission. Barstow said he could afford to pay this amount of five thousand dollars, because he would make "twenty or thirty thousand dollars" profit in buying a thousand horses. But Pratt was a victim of "misplaced confidence." After engaging Cowles to procure the commission, in return for which he expected Barstow to buy his traps, it seems there was another man who had the inside track with Barstow, and that Pratt, to use his own language, "had been sold." He states in his testimony that he overheard a conversation "in low octaves" between Barstow and this other man, whose name was Coates, and who was to be the quartermaster of the regiment, which was to be raised in Wisconsin. The purport of the conversation was as to how much money could be made in fitting out the regiment. Pratt seems to have been very good-natured in regard to the matter, and appears to have been satisfied by writing Barstow a letter, stating that he had discovered he had been sold, and that the only object of the communication was to notify him of the fact that he had made the discovery.

The circumstances surrounding this phase of fraud and imposition on the government, as detailed by the testimony of Pratt, would seem almost ludicrous, were it not that there is disclosed the shameless attempt to plunder the government under the guise of patriotism, which in too many instances has been shown to be the "last refuge of scoundrels."

Instead of obtaining a commission with the single and patriotic

purpose of serving the country in this hour of peril and calamity, it would seem it was obtained in this instance for the express purpose of robbing the treasury through the purchase of horses for the regiment and the equipment of the troops. No language of condemnation can be too strong for such a transaction, and a sad day will it be for the nation when any portion of our armies shall be under the control of men who are ready to sacrifice the interests and honor of their country for the gratification of their selfish interests.

MANUFACTURE OF RAILROAD CARS.

Another source of improvident and unnecessary expenditure of public money in the western department was in the construction of railroad cars, by the government, at St. Louis.

One Edward H. Castle had been appointed by General Frémont general superintendent of transportation by railroad in the western department, and seems to have been authorized by General Frémont to provide for an increase of the cars for transporting troops on the Pacific railroad. It is determined to have one hundred cars built. In answer to the question, did you advertise for proposals for building the cars, Mr. Castle answers, no, sir.

Question. How soon were these cars to be finished?

Answer. I think within forty days.

Question. Did you make the contract?

Answer. No, sir; I do not think I did. Judge Corwine, of Cincinnati, drew the contract. He recommended a man whom he knew to be a man of responsibility, and able to furnish the means to carry out the contract.

Question. Did you receive any proposition for building them?

Answer. I did, from all the car-builders in the city.

Question. How did their bids range?

Answer. Mr. Mowry's proposition was fifty or a hundred dollars below that of anybody else.

Question. Are you certain of that?

Answer. I know it was much the lowest.

Question. You can swear that it was lower than the bid of John D. Shaffer?

Answer. It was lower than the bid of any other party which was made to me.

Question. What became of the propositions?

Answer. They were handed to General Frémont.

Question. Did you have anything to do with them?

Answer. I received the propositions. They called upon me to know the kind of cars which were wanted, and I went and showed them the kind of cars we desired, and upon that they based their propositions.

Question. Who finally determined to whom the contract should be given at the price at which it was given out?

Answer. I cannot say whether it was Judge Corwine, or General Frémont, or Colonel Woods. As Mowry's was the lowest bid, it was given to him.

Question. Was Mowry here at the time?

Answer. He was not here, but had written a letter to General Fré-

mont stating that he had the means and facilities for building cars, and he ordered Colonel Woods to write upon the back of it a reference of the matter to me to look into it, to see what kind of car I wanted, and to see Mowry.

Question. Did you see Mowry?

Answer. Judge Corwine telegraphed him to come here, and he did so. Corwine introduced him to me.

Question. Did Judge Corwine recommend him?

Answer. He recommended him as a good man, and as a man who had the means of carrying out the contract.

Question. What were the terms and conditions of that contract?

Answer. I never saw the contract after it was written, but I believe it provided that he should build the cars according to the model I showed him upon the Pacific road, for \$825 apiece. The Pacific road had paid \$800 for such cars, and those cars were to be got up in a hurry, and cost a little more. The platform cars, I think, were to be \$700.

John D. Shaffer, a car-builder, of St. Louis, testifies that Mr. Mowry had sub-let to him the building of the bodies of fifty of these cars at \$275 each. He states, further, that although Castle did not advertise for proposals, that he bid for the contract, and speaks as follows as to his own bid :

Question. Did you ever hear anything from your bid?

Answer. No, sir.

Question. Did you hear anything of the bid of Mowry?

Answer. No, sir ; I have heard that he gets considerable more than my bid was ; my bid was \$790 a car, complete, for such a car as the sample showed us ; they wanted me to make an estimate of what I would build such a class of cars for, and I made an offer to build them for \$790.

Question. Could you have given good security for the performance of the contract?

Answer. I could.

Question. Did you offer such security?

Answer. Yes, sir ; I have heard that Mowry gets \$825 for building a car inferior to what I proposed to build.

Question. Do you know the reason of that?

Answer. Captain Castle stated that my proposal was for cash, while Mowry built them to be paid for at the convenience of the government.

Question. What was the difference between your bid and that of Mowry?

Answer. \$35 a car ; but in the style of car which is being built the difference would be \$150 a car.

Question. And that additional amount was given, as you understood, on account of the difference in the mode of payment?

Answer. I suppose so.

Question. Was that the only reason you heard given?

Answer. Yes, sir.

Question. Castle knew that you had put in a proposition?

Answer. Yes, sir ; for I delivered it to him myself.

Again :

Question. What will Mowry make upon each car you are manufacturing for him ?

Answer. I suppose he can clear \$250 on each car.

But however objectionable the mode of letting the contract may be, the main ground of objection is to be found in the fact that the cars were not actually required. Castle himself, in answer to the question as to how many platform cars the Pacific road had, answers:

Answer. I do not recollect, but I am of opinion forty or fifty.

Question. Did you ever inquire of the president of that road as to the amount of rolling stock it had ?

Answer. I did ; and had an entire inventory taken of it.

Question. Do you state that there are not more than fifty of those platform cars ?

Answer. I judge there are not more than fifty.

Yet Shaffer, who was familiar with the rolling stock of the Pacific railroad, in answer to the question as to the number of cars on that road, says :

They have on that road about 125 cars, which they call house cars, for the transportation of merchandise ; they have 80 cattle or stock cars, 125 platform cars, and 34 passenger cars.

Question. Could these platform cars be converted readily and cheaply so that men could be transported in them ?

Answer. Yes, sir ; they are using them now every day, more or less, for that purpose. An expense of \$15 or \$20 upon each of them would make them comfortable for men.

And George R. Taylor, the president of the Pacific railroad, on being examined as to the necessity of constructing these cars, testifies as follows :

On the 31st of August I received an official note from Colonel Woods, in the name of the general commanding, requiring me to furnish information to his office forthwith of the condition of our road. In writing, I told Colonel Woods—and I delivered the letter in person—that the government then owed us sixty-two or eighty-two thousand dollars ; that we were impoverished, but that if the government would pledge me \$10,000 I would alter fifty platform cars so as to make them suitable for the transportation of men, and that by so doing we would increase the capacity of our road 3,000 men per trip ; that, in addition to that, I would put up two bridges over Gray's creek ; put up the two bridges west of Jefferson City by the 5th of September ; that I would get out of the machine shop of the company four disabled engines, and have them put in condition for use, and that I would have the Laramie bridge finished by the 5th of September. That letter I delivered to Colonel Woods myself, but we did not get any money, and the company was left to scramble along as best they could.

Question. Can you tell the committee of any person who can in-

form them whether any contract has been entered into by the agents of the government for the construction of any cars to run over that road?

Answer. I do not know anything about the matter myself, but I have a tenant upon Market street who is a car-builder, and who presented himself to me a few days ago, and wanted permission to use our sheds for the purpose of putting up cars after they were framed. This man, J. D. Shaefer, told me he had a sub-contract for the making of fifty cars. I told him I must consult with the executive committee of our road. I convened the committee, and laid the request before them in writing, and they authorized me to allow him to use our tracts under the sheds for the purpose of building fifty platform cars.

Question. What is the character of those cars?

Answer. This Shaefer was a bidder for building 100 cars; and he said he was the lowest bidder.

Question. Did you make any demand upon the government for additional cars and rolling stock?

Answer. No, sir.

Question. The parties who are having the cars built are building them entirely upon their own responsibility?

Answer. Yes, sir; I have never been consulted about increasing our rolling stock, except, as I have told you, in reference to altering 50 of our cars by putting a railing around them for \$10,000.

Question. Would those 50 cars have enabled you to have done all the business required on the road?

Answer. It would have increased the capacity of our road three thousand men per trip.

Question. And that, in all probability, would have satisfied all requisitions made upon you?

Answer. I think so. If we had had the money we would have made the change as a matter of profit.

Unimportant as this business seems to have been, General Frémont and Richard M. Corwine, his judge advocate, gave it special attention. Judge Corwine, in his answer to an inquiry, testifies:

Question. Has ever your legal opinion been asked in regard to contracts; and have you ever been requested to draw up any contracts in which the government was interested?

Answer. I have been called upon to draw up two contracts: one with the North Missouri railroad, and one with N. G. Mowry, of Cincinnati.

Question. What do you know in relation to that contract with Mowry?

Answer. Nothing, whatever, except what is expressed upon the face of it.

Question. Do you know Mowry?

Answer. I do.

Question. Where does he reside?

Answer. In Cincinnati.

Question. State all the circumstances connected with the drawing up of that contract.

Answer. General Frémont sent for me one day, and told me there was a contract to be drawn between the department and Mr. Mowry, in relation to the building of some railroad cars, and he gave me a memorandum of the substance of the contract.

Question. Was that memorandum given to you by General Frémont himself?

Answer. I think it was. He sent for me to my office. At all events I drew up the contract from that memorandum.

Question. Had you any conversation with Mowry in regard to it?

Answer. Not until he came to execute it.

The contract for the building of the cars is as follows: It will be seen that it is made by order of General Frémont, specially:

This agreement, made and entered into this 22d day of September, 1861, between Brigadier General J. McKinstry, acting assistant quartermaster general for western department, for and on behalf of the United States, of the first part, and Albert S. Mowry, of Cincinnati, Ohio, of the second part, witnesseth:

That the party of the second part, for and in consideration of the stipulations hereinafter mentioned, agrees to furnish the party of the first part fifty box cars and fifty platform cars, the box cars similar to those known on the Pacific railroad as accommodation freight cars, to be built and fully completed in the most substantial manner, and according to the plans and specifications to be furnished by Captain Castle, strictly to his acceptance, and whose opinions as to the workmanship is to be final between the parties. Said Mowry also agrees to deliver fifty of said cars in eighteen days, and fifty in thirty days, on the track of the Pacific railroad, free of expense to the party of the first part, and as many more as the party of the first part may require, in forty-five days from the date of this contract. And the party of the first part, for and in behalf of the United States, agrees to pay, or cause to be paid, to the party of the second part, at the quartermaster's office of the United States army, St. Louis, Missouri, at the rate of, as follows, viz:

Eight hundred and twenty-five dollars for box cars, and seven hundred dollars for platform cars, at the time of their delivery and acceptance by Captain Castle.

It is expressly agreed that no member of Congress shall have any share or part in or derive any benefit arising from this contract.

In witness whereof, we have hereunto set our hands and seals the day and year before written.

Signed in quadruplicate.

By order of Major General John C. Frémont.

J. MCKINSTRY, [SEAL.]
Brigadier General and Quartermaster.
ALBERT L. MOWRY, [SEAL.]

Witness—

R. F. WILLIAMS.

H. W. G. CLEMENTS.

The committee are clearly of the opinion that these cars were not required by any public interest; that the cars on the Pacific railroad were fully equal to the locomotives on the road, and, with the slight alterations suggested by the president of the road, fully equal to the demands of the army. In the judgment of the committee the expenditures of from \$80,000 to \$90,000 in building these cars, and the expense of building twenty-five street cars in St. Louis, as testified to by Mr. Shaffer, (see page 871,) was entirely uncalled for, and an inexcusable extravagance, because an unnecessary expense; and the \$250 of profit which Mr. Shaffer testifies resulted from the contract to Mr. Mowry, say \$25,000 of profit in the aggregate, and the fact that a lower bid is entirely overlooked, and the contract itself receives the special attention of the commanding general and the judge advocate, and still no security whatever is required on the part of Mowry for the fulfilment of the contract, are facts which cannot be overlooked. The committee are of opinion that the entire transaction is unjustifiable on the ground of any public necessity, and that it furnishes another instance of the necessity of capacity and integrity and that singleness of purpose in official position which considers only the national welfare in the conduct of public affairs.

The committee will submit the evidence (accompanied by a further report) taken at Cairo, Chicago, and Harrisburg, as soon as it can be written out by their stenographer.

C. H. VAN WYCK,
Chairman.

E. B. WASHBURNE.
W. S. HOLMAN.
R. E. FENTON.
H. L. DAWES.
W. G. STEELE.

The following resolutions were offered by Mr. Van Wyck :

Resolved, That the Secretary of the Treasury be requested to decline making any further payment to the parties interested in the steamboat "*Cataline*," on account of the charter of said vessel by the United States on the 25th day of April, 1861.

Resolved, That the Secretary of the Treasury be requested to adjust the claim against the government for the five thousand Hall carbines, purchased through Simon Stevens, esq., by General John C. Frémont, on the 6th day of August, 1861, and afterwards delivered at the United States arsenal at the city of St. Louis, on the basis of a sale of said arms to the government for \$12 50 each, rejecting all other demands against the government on account of the purchase of said arms.

Resolved, That the practice of employing irresponsible parties, having no official connexion with the government, in the performance of public duties which may be properly performed by regular officers of the government, and of purchasing by private contract supplies for the different departments, where open and fair competition might be properly invited by reasonable advertisement for proposals, is injurious to the public service and meets the unqualified disapprobation of this House.

JOURNAL
OF
SPECIAL COMMITTEE

TO INQUIRE INTO

The Contracts of the Government.

CONGRESS OF THE UNITED STATES.

IN THE HOUSE OF REPRESENTATIVES, *July 8, 1861.*

On motion of Mr. Van Wyck,

Resolved, That a committee of five members be appointed by the Speaker to ascertain and report what contracts have been made by any of the departments for provisions, supplies, and transportation, for materials and services, or for any articles furnished for the use of government, without advertising for proposals as required by the statute of 1861; the parties to whom given, the compensation and terms thereof, and the reasons therefor; also, when proposals were received, if contracts were awarded to the lowest bidder; if not, the reason therefor; also, whether the contracts, as let, are in accordance with the specifications inviting proposals, and if any alterations, the reason for the same; also, whether any person or persons have any interest in the contracts thus made and awarded, or obtaining the same, or profits therefrom, except the contractors.

That said committee shall have power to send for persons and papers, to administer oaths and examine witnesses, and to report at any time.

JULY 10, 1861.

On motion of Mr. Fenton,

The number of the committee was increased to seven.

The Speaker announced the following as the committee under the foregoing resolution:

Mr. Charles H. Van Wyck, of New York; Mr. Elihu B. Washburne, of Illinois; Mr. William S. Holman, of Indiana; Mr. Reuben E. Fenton, of New York; Mr. Henry L. Dawes, of Massachusetts; Mr. William G. Steele, of New Jersey; Mr. James S. Jackson, of Kentucky.

Attest:

EM. ETHERIDGE, *Clerk.*

CONGRESS OF THE UNITED STATES.

IN THE HOUSE OF REPRESENTATIVES, *July 10, 1861.*

On motion of Mr. Vallandigham,

Resolved, That the select committee appointed to investigate certain government contracts be instructed to inquire also into the circumstances of the hiring by the Executive of the steamer "Cataline," and report the same to the House.

Attest:

EM. ETHERIDGE, *Clerk.*

JULY 17, 1861.

The committee met at 11 o'clock a. m., at the room of the Committee on Revolutionary Pensions.

Present: All the members.

On motion,

Mr. Holman was requested to present the following resolutions to the House and ask for their adoption. viz:

Resolved, That the provisions of the resolution appointing the select committee to inquire into and report in relation to certain contracts made by the department for provisions, supplies, &c., be so extended as to embrace an inquiry into all the facts and circumstances of all the contracts and agreements already made, and all such contracts and agreements hereafter to be made prior to the final report of the committee, by or with any department of the government, in anywise connected with or growing out of the operations of the government in suppressing the rebellion against its constituted authority.

Resolved, That the said committee be authorized to sit during the recess of Congress, at such times and places as may be deemed proper.

Resolved, That said committee be authorized to employ a stenographer as clerk, at the usual rate of compensation.

Resolved, That the sergeant-at-arms of the House be directed to attend in person, or by assistant, the sittings of the committee, and serve all the subpoenas put into his hands by the committee, pay the fees of all witnesses and the necessary expenses of the committee.

Resolved, That the Speaker of the House, during the recess of Congress, is hereby authorized and directed to issue subpoenas to witnesses, upon the request of the committee, in the same manner as during the session of Congress.

The committee then adjourned to meet upon the call of the chairman.

The resolutions above-mentioned were, on the same day, presented to the House and adopted.

JULY 18, 1861.

The committee met pursuant to the call of the chairman.

Present: All the members.

On motion,

Resolved, That Theodore F. Andrews be, and he hereby is, appointed stenographer and clerk to this committee.

The committee adjourned, to meet on the call of the chairman.

JULY 26, 1861.

The committee met pursuant to the call of the chairman.

Present: The chairman, and Messrs. Washburne, Holman, Fenton, Dawes, and Steele.

On motion of Mr. Washburne,

Resolved, That the chairman of the committee be directed to obtain from the Departments of War and Navy a full and complete statement of all the contracts and agreements that have been entered into by either department in anywise connected with or growing out of the operations of the government in suppressing the rebellion against its authority, with whom made, when made, and whether verbal or in writing; whether made after advertising or without advertising; and if made without advertising, the reasons therefor.

The committee then adjourned, to meet upon the call of the chairman.

JULY 30, 1861.

The committee met at 11½ o'clock a. m., on the call of the chairman.

Present: The chairman, and Messrs. Washburne, Holman, Dawes, and Steele.

On motion of Mr. Van Wyck,

Resolved, That the War and Navy Departments be requested to furnish the committee with a statement of any and all persons authorized by such departments to contract for or on account of the departments for supplies, transportation, or any articles furnished the government; where such persons reside, and what contracts or purchases they have made. That the Navy Department furnish a copy of all correspondence, by letter or otherwise, in relation to the purchase of vessels. That said departments furnish, in addition to the information called for by the resolution of July 26, the names and residence of the persons furnishing or providing any services or articles for the government.

The committee adjourned, to meet in New York on Tuesday, August 27, 1861.

NEW YORK, August 27, 1861.

The committee met at 12 o'clock m.

Present: The chairman, and Messrs. Washburne, Fenton, Dawes, and Steele.

On motion of Mr. Washburne,

Ordered, That the committee proceed, in accordance with the reso-

lution of the House of Representatives of July 10, to investigate the facts and circumstances connected with the hiring by the Executive of the steamer Cataline.

The committee adjourned until to-morrow at 10 o'clock a. m.

AUGUST 28, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, and Steele.

M. M. Freeman, George W. Corlies, Benjamin F. Woolsey, and John A. Boyle, were examined as witnesses.

The committee adjourned until 9 o'clock to-morrow.

AUGUST 29, 1861.

The committee met pursuant to adjournment.

Present: All the members.

J. O. Phillips, Daniel D. Tompkins, John E. Develin, Charles A. Stetson, jr., and M. M. Freeman, were examined as witnesses.

Ordered, That the sergeant-at-arms be directed to pay, as a part of the expenses of this committee, the travelling and other necessary expenses of the several members thereof, and also their necessary travelling and other expenses while attending to the duties of the committee; the allowance for travelling from their respective places of residence, and pay while on the duties of the committee to be the same as that usually paid to witnesses.

Ordered, That the sergeant-at-arms be directed to pay, as a part of the expenses of this committee, the necessary expenses of the clerk in consequence of holding the sessions of the committee away from the Capitol during the recess.

The committee adjourned until 9 o'clock to-morrow morning.

AUGUST 30, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, Jackson, and Steele.

Samuel A. Hopkins, W. A. Vail, Thomas Smull, A. M. Allerton, Samuel W. Morton, and Joseph H. Williams were examined as witnesses.

On motion of Mr. Washburne,

Ordered, That the clerk of this committee be directed to make and certify a copy of all the evidence given before this committee in regard to Mr. Wood, Commissioner of Public Buildings and Grounds, and that the chairman be directed to transmit the same to the President of the United States.

Adjourned until Monday morning at 10 o'clock.

SEPTEMBER 2, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Holman, Dawes, Steele, and Mr. Chairman.

George T. Mickens, John J. Eckel, Smith Ely, jr., John Bolden,

Anthony Arnoux, John E. Hanford, Isaac Henderson, and Joseph H. Godwin were examined as witnesses.

The committee then adjourned until 9 o'clock to-morrow morning.

SEPTEMBER 3, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Holman, Fenton, Dawes, and Steele.

Thomas C. Smith, James Owens, D. S. Hammond, Charles D. Deshler, Thomas Smull, Henry McClellan, Thomas Clarendon, and Amos B. Eaton were examined as witnesses.

The committee then adjourned until 9 o'clock to-morrow morning.

SEPTEMBER 4, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, and Steele.

Henry McClelland, Henry P. Gardner, Samuel W. Morton, John R. Rowen, Hiram Barney, and John W. Hunter were examined as witnesses.

The committee adjourned to meet at 9 o'clock to-morrow morning.

SEPTEMBER 5, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, and Steele.

Simeon Draper, J. W. Wilson, Henry H. Leeds, J. L. Breeze, James Cochrane, and George D. Morgan were examined as witnesses.

The committee adjourned until 9 o'clock to-morrow morning.

SEPTEMBER 6, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, and Steele.

George H. Metcalf, John O. Taylor, Alexander Cummings, George T. Ladue, James R. Gandel, John Moakley, George D. Morgan, Rufus Saxton, and Fordyce L. Laflin.

Ordered, That the committee adjourn until the 25th day of September, 1861, to meet at the St. Nicholas Hotel, in New York city, and that in the meantime Mr. Washburne, the acting chairman of the committee, be directed to obtain such information and take such measures as may be necessary to the further prosecution of the inquiries of the committee.

SEPTEMBER 25, 1861.

The committee met pursuant to adjournment.

Present: All the members except Mr. Jackson.

Marcellus Randall, David Allerton, Benjamin S. Woolsey, Edmund Coffin, Edward Lupton, Isaac O. Phillips, Willis Patten, and Jacob S. Warden were examined as witnesses.

The committee adjourned until Friday next at 9 o'clock.

SEPTEMBER 27, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, and Steele, the Chairman.

Isaac Mix, jr., Major P. V. Hagner, Henry B. Cromwell, Samuel L. Mitchell, Henry W. Benedict, James B. Taylor, John Smith, and John C. Kruse were examined as witnesses.

The committee then adjourned until to-morrow at 10 o'clock a. m.

SEPTEMBER 28, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Fenton, Dawes, and Steele.

L. D. Abell, Christopher P. Wolcott, Gardner G. Howland, James Larkin, and George D. Morgan were examined as witnesses.

The committee adjourned until Monday next.

SEPTEMBER 30, 1861.

The committee met pursuant to adjournment.

Present: Mr. Dawes.

Mr. Charles B. Riker was examined as a witness.

The committee adjourned until Thursday, the 3d day of October.

OCTOBER 3, 1861.

The committee met pursuant to adjournment.

Present: Mr. Fenton.

The committee adjourned to meet to-morrow morning at 10 o'clock.

OCTOBER 4, 1861.

The committee met pursuant to adjournment.

Present: Mr. Fenton.

Arthur M. Eastman, Simon Stevens, and Philip S. Justice were examined as witnesses.

The committee adjourned until to-morrow morning at 10 o'clock.

OCTOBER 5, 1861.

The committee met pursuant to adjournment.

Present: Mr. Washburne and Mr. Fenton.

Addison M. Burt and Wm. H. Aspinwall were examined as witnesses.

Mr. Washburne, acting chairman of the committee, transmitted to the Hon. S. P. Chase, Secretary of the Treasury, a certificate of deposit, of which the following is a true copy:

“OFFICE OF THE ASSISTANT TREASURER,

“*New York, October 5, 1861.*

“Original—No. 7797.

“I certify that Wm. H. Starbuck has this day deposited to the credit of the treasurer of the United States six thousand one hundred

and sixty-six dollars and forty-eight cents, on account of over payment on purchase of ships 'Roman' and 'William Badger,' at New Bedford, Massachusetts, in May, 1861, for which I have signed duplicate receipts.

“JOHN J. CISCO,
“*Assistant Treasurer.*

“\$6,166 48.”

The committee adjourned to meet on Tuesday next at 10 o'clock a. m.

OCTOBER 8, 1861.

The committee met pursuant to adjournment.

Present: Mr. Dawes and Mr. Steele.

John E. Develin, Stephen Hyatt, Wm. A. Hall, and Morris Ketchum were examined as witnesses.

The committee adjourned until to-morrow morning at 10 o'clock.

OCTOBER 9, 1861.

The committee met pursuant to adjournment.

Present: The chairman, and Messrs. Dawes and Steele.

P. V. Hagner, Albert W. Robinson, Wm. W. Marston, and Cornelius S. Bushnell were examined as witnesses.

The committee adjourned until to-morrow morning at 10 o'clock.

OCTOBER 10, 1861.

The committee met pursuant to adjournment.

Present: Mr. Dawes.

Daniel D. T. Marshall was examined as a witness.

The committee adjourned to meet in St. Louis, Missouri, on Tuesday, October 15.

ST. LOUIS, *October 15, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Dawes, and Steele.

The committee adjourned to meet to-morrow morning at 10 o'clock.

ST. LOUIS, *October 16, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Dawes, and Steele.

Giles F. Filley, James O. Broadhead, John B. Cristy, and James Harkness were examined as witnesses.

The committee adjourned to meet to-morrow at 9 o'clock.

ST. LOUIS, *October 17, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Dawes, and Steele.

Robert W. Peay, J. J. Witzig, Wm. Patrick, James Everett, Aaron McPike, John D. Perry, Robert T. Coffey, and Joseph Irvine were examined as witnesses.

The following letter was received by the committee, and ordered to be entered upon the journal:

“ST. LOUIS, MISSOURI,
“October 17, 1861.

“SIR: I am told, for the first time, this morning, that your committee are sitting, and have been for some days past, at Barnum's Hotel, in secret session, examining witnesses and taking testimony relative to the contracts, orders, and expenditures for the public service by the quartermaster's department at this place. This is the first time that I, who am the chief clerk of General McKinstry, late chief quartermaster of this department, have been aware of the fact. General McKinstry himself, who is now in the field with the army, so far as I am aware, has been in like manner ignorant of the investigations now going on.

“It will be impossible, as I conceive, for your committee fully to understand the action of the quartermaster's department here without conference with General McKinstry or myself, or examination of papers in this office, in connexion with such explanations as are needful for the proper understanding of the business transacted here, to do justice either to the public or the late quartermaster.

“In the absence of General McKinstry with the army, I am induced to say that I am ready to attend upon your committee at any time, with all papers needful for your examination, and trust that you will, at any time, call upon me, as representing General McKinstry, for any explanation of any transactions which may appear to you to require explanation. All papers and documents in this office will be most cheerfully presented for your examination and inspection. Justice to General McKinstry, and a desire to aid your committee by every means in my power, has induced me to make this communication.

“May I also ask to be permitted access to and a perusal of such testimony as may have been or shall be hereafter taken by your committee? This may be very important, in order to enable, if necessary, any needful explanations to be made.

“With great respect, I am, sir, your obedient servant,

“H. W. G. CLEMENTS.

“Hon. C. VAN WYCK,

“Chairman Congressional Investigating Committee, Barnum's Hotel.”

In response to the above letter, the committee ordered the following letter to be sent to Mr. Clements:

“BARNUM'S HOTEL,
“St. Louis, October 17, 1861.

“DEAR SIR: I am directed by the committee of the House of Representatives, of which the Hon. C. H. Van Wyck is chairman, to acknowledge the receipt of your communication of this date. And, availing themselves of your kind offer to aid the committee by every means in your power, the committee would be much obliged if you would furnish them, at your earliest convenience, a statement of the

number of horses purchased by the quartermaster's department in this city since May last; of whom purchased; at what price each; how many cavalry and how many artillery horses. Also, how many mules have been so purchased by the department; of whom, and at what price each, and by whom they have been inspected; what disposition has been made of them, and how many are yet in this city.

"I am also instructed to say that the committee may find their investigations greatly facilitated by making, from time to time, further inquiries of you, which your letter gives them the assurance will be freely answered.

"Your obedient servant,

"THEO. F. ANDREWS,
" *Clerk to Committee.*

"H. W. G. CLEMENTS, Esq."

The committee adjourned to meet at 10 o'clock to-morrow morning.

ST. LOUIS, *October 18, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, Dawes, and Steele.

John L. Ganzhorn, Almon Thomson, James L. Bradshaw, Franklin D. Callender, John B. Cristy, Thomas Dunn, John Allen, J. J. Witzig, and John H. Bowen, were examined as witnesses.

The committee adjourned until 9 o'clock to-morrow morning.

ST. LOUIS, *October 19, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Dawes, and Steele.

Frederick Haman, Patrick Fanning, Patrick Brennen, Charles H. Pond, Charles T. Alexander, William S. King, Gordon Granger, William Chambers, James Donall, Isaac Jerome, and Richard A. Wells, were examined as witnesses.

The committee adjourned until Monday morning at 9 o'clock.

ST. LOUIS, *October 21, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Dawes, and Steele.

William H. Smith, Peter Wiles, Oliver D. Filley, Frank Blair, jr., William V. Hall, John H. Morse, Hiram Sanford, Albert G. Draper, Horace W. Woodruff, Ansyl Phillips, and Thomas J. Haines, were examined as witnesses.

The committee adjourned to meet to-morrow morning at 9 o'clock.

ST. LOUIS, *October 22, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Dawes, and Steele.

Oliver Lippincott, Frederick M. Coburn, Charles L. Spencer, Henry Clapp, John S. McCune, Thomas Hood, Francis H. G. Hafkemeyer, James Dougherty, James H. McCord, Edward M. Davis, T. P. Andrews, John M. Bauer, Charles M. Elleard, and William Hahn, were examined as witnesses.

The committee then adjourned until to-morrow at 9 o'clock a m.

ST. LOUIS, *October 23, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Dawes, and Steele.

James Archer, John J. Palmer, George R. Taylor, William Cumback, Parmeneas T. Turnley, William Hahn, Peter J. Pauley, Daniel G. Taylor, William E. Saltmarsh, Jacob P. Tirrill, and James Blackman, were examined as witnesses.

The committee adjourned until 9 o'clock to-morrow morning.

ST. LOUIS, *October 24, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, and Steele.

John D. Park, William Hahn, Charles W. Ford, Thomas Lough, George H. Smith, Charles H. Tyler, Alexander Peterson, Jesse Arnot, James Richardson, Pascal P. Child, and James B. Coghlan, were examined as witnesses.

The committee adjourned until to-morrow morning at 9 o'clock.

ST. LOUIS, *October 25, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne, Holman, and Steele.

The following letter was received:

“TREASURY DEPARTMENT,
“ *October 21, 1861.*

“SIR: I have to acknowledge the receipt of your communication of the 17th instant on the subject of a certificate of deposit of the assistant treasurer in New York for \$6,166 48, transmitted by you to this department on the 5th instant, and asking whether the same had been received. The certificate was duly received, and the amount has been covered by warrants to the credit of the appropriation to which it belonged.

“I am, very respectfully, your obedient servant,

“S. P. CHASE,

“ *Secretary of the Treasury.*

“Hon. E. B. WASHBURN,

“ *Acting Chairman of the Congressional Investigating Committee,*

“ *St. Louis, Missouri.*”

Nathaniel H. Clark, John H. Farnham, John S. Harvey, James P. Coghen, F. B. Callender, John R. Johnson, John D. Shaffer, Alexander Kelsey, John M. Wyman, John B. Valle, and Squire B. Romans were examined as witnesses.

The committee adjourned until to-morrow morning at 9 o'clock.

ST. LOUIS, *October 26, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne and Holman.

H. W. G. Clements, Samuel R. Curtis, J. F. Tindall, P. T. Turnley, Alexander Kelsey, Edward H. Castle, Samuel R. Filley, Franklin

D. Callender, David Pratt, and George W. Cochran were examined as witnesses.

The committee adjourned until Monday morning at 9 o'clock.

ST. LOUIS, *October 28, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne and Holman.

James B. Eads, H. W. G. Clements, Alexander Kelsey, P. T. Turnley, Francis Kappner, Wm. Hahn, Peter Clark, T. W. Singer, R. M. Corwine, John G. Priest, P. Flannigan, T. P. Perkins, and Chauncey McKeever were examined as witnesses.

The committee adjourned until to-morrow at 9 o'clock a. m.

ST. LOUIS, *October 29, 1861.*

The committee met pursuant to adjournment.

Present: Messrs. Washburne and Holman.

Edward H. Castle, John R. Cook, Thomas B. Johnson, Henry Almstedt, Chauncey McKeever, Joseph B. Reed, Patrick Your, Robert Allen, Frederick Schulenburg, Joseph Labarge, and J. P. Wheeler were examined as witnesses.

The committee adjourned to meet at Cairo, on Thursday, the 31st. of October.

Mr. Callender, David T. and George W. Cochran were examined as witnesses.

The committee adjourned until Monday morning at 9 o'clock.

At St. Louis, October 22, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburn and Holman.

James H. Bonds, H. W. G. Clement, Alexander Kellogg, T. T. Tenney, Francis Kappeler, Wm. Fisher, Peter Clark, P. W. Rogers, M. M. Corbin, John G. Fries, T. Pannigan, T. P. Perkins, and Chas. McKee were examined as witnesses.

The committee adjourned until tomorrow at 9 o'clock a.m.

At St. Louis, October 23, 1861.

The committee met pursuant to adjournment.

Present: Messrs. Washburn and Holman.

Edward H. Cassel, John H. Cook, Thomas H. Johnson, Henry Alford, Chas. McKee, Joseph H. Bond, Patrick J. Ryan, Robert Allen, Frederick Schenck, Joseph Labadie, and J. T. Wheeler were examined as witnesses.

The committee adjourned to meet at Cairo, on Thursday, the 27th

of October.

THOMAS W. WATSON,

October 24, 1861.

The committee met at Cairo, on Thursday, the 27th of October, at 9 o'clock a.m. Present: Messrs. Washburn, Holman, and Watson. The committee met pursuant to adjournment. The committee adjourned until Monday morning at 9 o'clock a.m.

P. M. CHASE,

Secretary of the Treasury.

At St. Louis, October 24, 1861.

The committee met at St. Louis, on Friday, the 28th of October, at 9 o'clock a.m. Present: Messrs. Washburn, Holman, and Watson. The committee met pursuant to adjournment. The committee adjourned until Monday morning at 9 o'clock a.m.

The committee met at St. Louis, on Saturday, the 29th of October, at 9 o'clock a.m. Present: Messrs. Washburn, Holman, and Watson. The committee met pursuant to adjournment. The committee adjourned until Monday morning at 9 o'clock a.m.

The committee met at St. Louis, on Sunday, the 30th of October, at 9 o'clock a.m. Present: Messrs. Washburn, Holman, and Watson. The committee met pursuant to adjournment. The committee adjourned until Monday morning at 9 o'clock a.m.

The committee met at St. Louis, on Monday, the 31st of October, at 9 o'clock a.m. Present: Messrs. Washburn, Holman, and Watson. The committee met pursuant to adjournment. The committee adjourned until Monday morning at 9 o'clock a.m.

The committee met at St. Louis, on Tuesday, the 1st of November, at 9 o'clock a.m. Present: Messrs. Washburn, Holman, and Watson. The committee met pursuant to adjournment. The committee adjourned until Monday morning at 9 o'clock a.m.

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THE CATALAN

THE CATALAN

NEW YORK, APRIL 12, 1857

My dear Mr. [Name]

Enclosed by Mr. [Name]

I have the honor to acknowledge the receipt of your letter of the 10th inst. in relation to the proposed publication of a new edition of the Catalan. I am very glad to hear that you are interested in this project, and I am sure that it will be a valuable addition to the literature of the country. I have already received several offers for the work, and I am confident that it will be well received by the public. I am sorry that I cannot do more for you at present, but I am sure that your project will be successful. I am, Sir, very respectfully,
Your obedient servant,
[Name]

Yours truly,
[Name]

TESTIMONY

IN REFERENCE TO

THE STEAMER CATALINE.

NEW YORK, *August 28, 1861.*

MALENTHON M. FREEMAN, being duly sworn, gave the following evidence:

Examination by Mr. Washburne.

Question. Do you know the steamer Cataline, if so, when and where was she built, and by whom owned?

Answer. I cannot, from my own knowledge, state where the boat was built or by whom. My interest in the Cataline began at a late day. I think she was built in Connecticut, by a Mr. Curtis Peck.

Question. State your connexion with the Cataline.

Answer. In the latter part of April last I was called upon by John E. Develin, and by him asked if I would provide the means to pay for and take the management of a boat which could be bought and chartered to the United States government. I told him I would. It was in the nature of my business, as a shipping merchant, to transact that kind of business, and I advanced him the money with which to buy the steamboat Cataline. She was bought and paid for in the name of Charles A. Stetson, jr., the brother-in-law of Develin, and transferred to Mr. Stetson. I then wrote out the form of a charter-party, and offered to charter the boat to the government, which was accepted by Quartermaster Tompkins, and the boat went into the employ of the government, and remained so until she was destroyed by fire. The terms of the contract were to charter the steamboat Cataline to the United States government for three months, at \$10,000 a month, payable monthly, the United States to have the option of buying the boat at any time during that period. In case of a loss of the boat from causes other than those which a marine and fire insurance usually covers, it was to be paid for by the government. We were to pay all the expenses of running the boat, keeping her in order, insuring her, and everything of that kind. That was the substance of my proposition to the quartermaster; and then on the back of that he made his amendments, which only bound me more strongly and made more particular the terms in which my proposition was couched, but not

varying at all the substance of the proposition. It was then signed by him, and that was the contract under which she was used.

Question. What is your business?

Answer. I am a shipping merchant, in this city.

Question. Are you in the habit of making advances upon the purchase of vessels?

Answer. Yes, sir.

Question. Who is Mr. Develin?

Answer. A brother-in-law of Mr. Stetson, and a lawyer of this city.

Question. Has he any connexion with the merchant marine service?

Answer. Not that I know of, except as a lawyer.

Question. How much money did you advance upon that contract?

Answer. Eighteen thousand dollars in cash, to pay for the boat, and we advanced about \$5,000 more before the boat left the port.

Question. How did you make the advance?

Answer. I made the advance to Develin in cash, to pay for the boat; that was the understanding.

Question. By check?

Answer. Yes, sir.

Question. On what bank?

Answer. Upon the Mechanics' Banking Association.

Question. You advanced \$18,000 at one time, and \$5,000 at a subsequent time?

Answer. Yes, sir; but the \$5,000 was for the outfit of the boat; such as necessary furniture, provisions, coal, and other necessary articles.

Question. To whom did you make this last advance?

Answer. To the different parties with whom the bills were made.

Question. What did you have for your security?

Answer. I had the boat, the policy of insurance upon her, the contract with the government, and notes from Mr. Stetson and Mr. Develin.

Question. What were the terms of the advance?

Answer. That I was to have a commission for the doing of the business, the interest upon my money, and an interest of one-tenth in the profits of the contract.

Question. What was the full price to be paid for the steamer by Mr. Stetson.

Answer. \$18,000 as she then was, requiring some outfit, which we put on afterwards.

Question. What did you know about the boat?

Answer. My knowledge of the boat was derived principally from representations of Mr. Develin, who said she had been examined thoroughly, and reported as cheap at \$18,000. The owner had asked \$20,000 for her. We had the boat examined by the Commercial Insurance Company, to whom we applied to have the boat insured, but they asked so much that we did not have the boat insured by them.

Question. What knowledge had you in reference to the sea-worthiness of the boat?

Answer. I had seen Captain Comstock, who had been ordered to examine her.

Question. Had you ever seen the boat?

Answer. Not before Mr. Develin came to me about her.

Question. Did you see her before you closed the contract?

Answer. I did.

Question. You spoke of applying for an insurance, and stated that the rate was so high that you did not get her insured.

Answer. I did not get her insured at that office.

Question. What rate of insurance did they demand?

Answer. Seven per cent. a month.

Question. Did you get her insured afterwards?

Answer. I did against fire.

Question. At what office?

Answer. In nine different offices in the city of New York.

Question. Have you a memorandum of the offices, and the amount for which the boat was insured?

Answer. I have not here.

Question. Can you get it and present it to the committee?

Answer. I can, and will.

Question. Can you state the rate of insurance you paid?

Answer. I cannot now with sufficient distinctness, but I can give you all the information hereafter.

Question. State whether or not the rate of insurance was so great as to imply that the boat was unseaworthy.

Answer. That was not the reason given to us at all; on the contrary, they were willing to take the risk. They had no objection to the boat. The reason given to us was the uncertain state of the country, the place she was going to at the time she was chartered, and they were unwilling to take the insurance upon lower terms.

Question. Where is the contract?

Answer. At my office, and I will bring it here with Tompkins's indorsement on it.

Question. Who is Mr. Tompkins?

Answer. He is the United States quartermaster at this station.

Question. Did he examine the steamer?

Answer. I do not know; I think the examination was left to Capt. Comstock.

Question. (By Mr. Fenton.) Of whom was this purchase made?

Answer. It was made of Geo. W. Corlies, as agent of Margaret G. Corlies.

Question. (By Mr. Fenton.) You said your security was an assignment of the boat by Stetson to Develin, a policy of insurance upon the boat, and the note of Mr. Stetson. What other parties were there, and what was the contract with them?

Answer. So far as I know there were no other parties. I took the charge and management of the boat on account of Mr. Stetson, in whose name she stood. He put the management of the boat in my hands. That is the usual way this kind of business is done.

Question. The contract with Stetson was, that you were to have one-tenth of the profits. Who were the other parties?

Answer. Mr. Develin, I presume. I did the business more with

Mr. Develin than with Mr. Stetson. I do not know why Mr. Develin put the boat in Mr. Stetson's name.

Question. You have the contract which you made with Develin as to your own security?

Answer. There is no written contract between Develin and ourselves. The original agreement was, that we should take the boat in our names, but the boat was hurried off before she was transferred by Stetson to us; and we allowed the matter to remain in that position without ever taking the transfer of the boat in our names.

Question. In your arrangement with Develin and Stetson was anything put in writing?

Answer. Nothing except that I was the party who chartered the boat to the government, and to whom the charter was consequently payable; and the policies of insurance were made out payable to M. M. Freeman & Co., in case of loss. It is not customary to have written memoranda in regard to these things. If a party owning a boat or ship orders us to transact the business connected with it, we take the position of ship's husband and act for the owners, and as such we are recognized.

Question. Recognized as owners?

Answer. No, sir; but as ship's husband, and as having the management and control of the boat.

Question. (By Mr. Steele.) Did you get the vessel cleared from the custom-house?

Answer. I think Mr. Stetson cleared her. There was some difficulty about her clearance. The report was that she was going to South Carolina, and Collector Barney declined to clear her. Stetson went down and informed him that she was chartered by the United States government, and was not designed to give aid and comfort to the enemy. He then cleared her.

Question. (By Mr. Holman.) What is the date of those policies of insurance?

Answer. I cannot say now. I will furnish you hereafter with a memorandum of those various policies. They may be in the hands of the insurance companies of whom we are claiming for loss by fire, still I can get them.

Question. (By Mr. Holman.) This application by Develin was made to you some time in April. Can you designate the day?

Answer. I think it was the 23d or 24th of April.

Examination by Mr. Dawes.

Question. You have not stated what the government was to give in case of a loss for causes not covered by the insurance.

Answer. The contract will show that. It was \$50,000. The government wanted the privilege of buying the boat. I asked whether the government would buy the boat during the time of contract or not. They said they had no idea the government would buy the boat. I said if you want the privilege you may have it for \$50,000. They put that in the contract, it being a matter of no consequence, as the government did not intend to purchase the boat. They also inserted

the same amount as the sum to be paid by the government in case the boat should be lost, for any cause not covered by the insurance.

Question. Have you made up a statement showing the cost of running the boat for the time she was run?

Answer. I have not; but it can very readily be made up.

Question. Have you the means of making it up?

Answer. I have, and I will bring in a statement.

Question. How long was it between the time you made the offer to the government and the closing in with your offer?

Answer. About 24 hours. I made the proposition one day, and I think I received the answer the next.

Question. Where was Mr. Tompkins?

Answer. The offer was made to Captain Comstock; by him it was transmitted to Mr. Tompkins; it was approved by Tompkins, and by him transmitted to Mr. Develin.

Question. In what capacity was Comstock acting at that time, as you understood?

Answer. As agent for the government.

Question. For a specific purpose?

Answer. For the purpose of chartering a boat to transport goods to Annapolis. That was to be the first use of the boat, and then she was to be used as the government needs required.

Question. But the special purpose then on hand was the transportation of goods to Annapolis?

Answer. That I understood was to be the first business, or rather it was for duty in the Chesapeake bay.

Question. How soon were you to have her ready for sea?

Answer. Immediately.

Question. How soon was she cleared?

Answer. I think within two days from the time her charter was dated; I think it was dated on the 25th of April; she cleared as soon as she could be loaded.

Question. Was it not known at the custom-house, before the clearance was asked for, that she was chartered for the government?

Answer. I cannot say.

Question. Was she to be first cleared at the custom-house and then chartered by the government?

Answer. She was not, in fact.

Question. What ground, then, was there for a mistake at the custom-house between her destination for carrying supplies to Annapolis and contraband to South Carolina?

Answer. I cannot tell.

Question. You never knew what the difficulty was at the custom-house.

Answer. No, sir.

Question. Who is the party at the custom-house who gives clearances?

Answer. I do not know.

Question. Was the difficulty at the custom-house communicated to you?

Answer. No further than that there was some difficulty about the clearance.

Question. Did you take measures to remove the difficulty?

Answer. No, sir; but Mr. Develin did.

Question. But what the precise nature of the difficulty was you do not know?

Answer. No, sir; I only heard the report.

Question. Were you employed about this time to procure any other vessels for the government?

Answer. No, sir.

Question. Were any other vessels being procured about that time?

Answer. I understand that a large number were.

Question. Do you know what vessels were procured for the government about that time?

Answer. I do not, only from newspaper report.

Question. No proposition was made to you by an agent of the government?

Answer. No, sir.

Question. The subject was broached to you by Develin as a matter of business between yourselves?

Answer. Yes, sir.

Question. Did Develin communicate to you what means he had of knowing that she could be chartered to the government?

Answer. No, sir, except so far as to state that Captain Comstock had orders to charter a boat, and that this boat could be chartered to the government, he thought.

Question. How long was it after Develin's first application to you before the trade for the boat was concluded?

Answer. Perhaps a couple of days.

Question. Was she purchased by you before you got the terms of the contract with the government?

Answer. She was, by Mr. Stetson.

Question. Did Mr. Develin intimate to you upon what terms she could be chartered to the government provided you would purchase her?

Answer. I think he did.

Question. When he made the application to you?

Answer. Yes, sir.

Question. On what terms did he state that she could be chartered to the government?

Answer. I think he told me she was worth \$10,000 a month to the government, and that probably he could get that.

Question. Did Develin state what means he had of knowing that she was worth \$10,000 a month to the government?

Answer. No, sir.

Question. He stated to you he could get \$10,000 from the government, did he?

Answer. No, sir; he could not have stated that to me, because he did not know it at the time. He might have stated to me, and probably did, that she would most likely be accepted by the government at that price.

Question. The \$10,000 a month was an independent proposition of yours?

Answer. It was a proposition of my own. Develin made the proposition to the government, subject to their acceptance or rejection. It was accepted by them.

Question. Was there any further communication between you and the government?

Answer. None, except the document itself, which was handed us through Captain Comstock, as agent for the government.

Question. Had you any further communication with Captain Comstock than you have stated here, previous to concluding the contract?

Answer. No, sir.

Question. Was there no further communication had with you as to price?

Answer. Only the acceptance of our offer. That is all.

Question. To your knowledge was any further inquiry made as to chartering other vessels for this same purpose?

Answer. Not to my knowledge.

Question. Then this was simply a proposition upon your part, founded upon information given to you by Develin, and which was accepted without question on the part of the government?

Answer. It was, without question, between me and the government, except so far as the alteration of Colonel Tompkins, made upon the back of the proposition, is concerned.

Question. And that only made the terms more explicit?

Answer. That is all.

Question. And whether there were other negotiations touching the vessel, between other parties, you have no knowledge?

Answer. I have none.

Question. What was the condition of the ship when you were first applied to to purchase her?

Answer. She was in good running order, so far as I am able to judge, and capable, with the small repairs that were made upon her, of doing the duty required of her by the government, as the certificate of the quartermaster, under whom she was employed down in the Chesapeake, will show. You will see, by the terms of our contract, that we are required to get the certificate of an officer of the United States army that she performed the service required, before we could get our pay.

Question. Who were the quartermasters?

Answer. Captain Turnly, quartermaster at Annapolis, and Captain Talmage, quartermaster at Fortress Monroe.

Question. Where was she lying when you purchased her?

Answer. At pier No. 11, North river.

Question. What had been her service immediately previous?

Answer. I cannot speak of my own knowledge.

Question. Do you know, from Develin or Stetson, of anybody else who had any interest in the vessel?

Answer. No, sir.

Question. (By Mr. Fenton.) Had W. A. Vail or J. O. Phillips any interest in her?

Answer. I never heard of Vail ; Phillips was captain of the boat. He was not interested in the boat except, as captain, to sail her.

Question. Do you know of the whereabouts of Captain Phillips?

Answer. He is in the city.

Question. (By Mr. Holman.) Was the proposition to the government made one day and accepted the next?

Answer. That is my impression.

Question. (By Mr. Holman.) That proposition was not made the same day you saw Develin upon the subject?

Answer. No, sir ; it was some days after. I had made the agreement with Develin to furnish the money to purchase the boat with before the proposition was made to the government.

Question. How many days intervened between your conversation with Develin and the time you submitted the proposition to the government?

Answer. I think it was about three days. I think the proposition was made to the government on the 25th or 26th of April.

Question. Did you hear from Mr. Stetson, Mr. Develin, or any one else, of anybody having aided in obtaining from the government the charter of this ship?

Answer. I did not.

Question. Do you know of anybody rendering any assistance?

Answer. I do not.

Question. Do you know of any money being paid to anybody for services of that kind?

Answer. I do not.

Question. Do you know of any promises to anybody?

Answer. I do not.

Question. Do you know of any application being made to Mr. Simeon Draper?

Answer. I do not.

Question. Of any services rendered by him?

Answer. I do not.

Question. Or asked of him?

Answer. I do not.

Question. Do you know of Draper having any connexion whatever with it?

Answer. I do not.

Question. Did you ever hear his name mentioned in that connexion?

Answer. I have not.

Question. Do you know what measures were taken when the difficulty occurred at the custom-house to remove it?

Answer. Mr. Stetson went down to see Mr. Barney, the collector, upon the subject.

Question. Do you know of any other steps being taken?

Answer. I do not.

Question. Do you know of any other application to the custom-house, either in person or by writing?

Answer. Possibly Develin may have been with Stetson. I know that Develin and I called at the custom-house to see Mr. Barney, but

we did not see him, and then the matter was left by me with Develin, expecting that he would see Stetson.

Question. And you know of no other difficulty except that as to her destination?

Answer. That is all.

Question. And that was in reference to the destination of a vessel then under charter to the government?

Answer. She was then under charter to the government.

Question. Do you know of any difficulty in making it perfectly plain to the custom-house that a vessel is under charter to the government?

Answer. I do not. I believe that, upon a representation of the facts to Mr. Barney, he gave an order to have the vessel cleared.

Question. Was an application made to General Wool, and did Mr. Barney say that he must have an order from General Wool, or a certificate showing that the vessel was chartered by the government?

Answer. I cannot speak from my own knowledge upon that subject. I believe that Mr. Barney did take some such stand as that. He wanted to be assured by evidence that the vessel was under charter to the United States government.

Question. Was not the charter sufficient evidence to him?

Answer. He was not shown the charter.

Question. Would not that have been the best evidence?

Answer. I suppose it would, but I do not understand that the difficulty amounted to anything, in fact. They only wanted to be satisfied where the vessel was going to.

Examination by Mr. Holman.

Question. You have not mentioned the time when the vessel was lost.

Answer. I think she was destroyed by fire on the night of the 2d of July, at Fortress Monroe.

Question. Has the loss yet been adjusted by the insurance companies?

Answer. It has not. The sixty days which the companies have in which to adjust the loss have not yet expired, and we are claiming from them, and not from the government, the value of our boat.

Question. How long after the loss was it that you notified the insurance companies of the loss?

Answer. I received the news by telegraph on the 4th of July, and the next day the insurance companies were notified of the loss. Proofs of the loss were put in about the 21st of July, and the sixty days will expire about the 18th of September.

Question. Was any objection taken to the preliminary proofs?

Answer. None at all.

M. M. FREEMAN.

NEW YORK, *August 28, 1861.*

GEORGE W. CORLIES was affirmed as a witness, and was examined as follows :

Examination by Mr. Dawes.

Question. Please state to the committee what you know in respect to the history of the steamer Cataline.

Answer. She was built in 1844, at Lawrence & Sneedling's yard, in this city.

Question. In what service had she been employed from that time until her charter to the government?

Answer. She had run on almost all the routes out of New York as a sound boat and as a North river boat. She was built for the Norwalk route first, but afterwards was employed as a day boat to Albany.

Question. What was her burden?

Answer. 394 tons.

Question. Who was her owner last previous to the sale, and when she was chartered to the government?

Answer. I was. I sold her to my sister in 1857 to secure a debt to her. Previous to that she was owned by Captain Curtis Peck, who built her.

Question. Did your sister sell her at the time she was chartered by the government?

Answer. Yes, sir.

Question. Who acted for your sister?

Answer. I did.

Question. With whom did you negotiate her sale?

Answer. With Charles A. Stetson, jr., of the Astor House.

Question. Did he come to you or did you propose the sale to him?

Answer. The boat was advertised for sale, and a gentleman named Morton called at my office and wanted the refusal of her. My price was \$20,000 at that time. He wanted to know immediately, and made me an offer of \$18,000 cash in 48 hours. Under the peculiar circumstances, I gave him the refusal. The first refusal, I should have said, was for twenty-four hours instead of forty-eight hours. At the expiration of that time he came to me and said he could not raise the money for it, and wanted me to renew the refusal for twelve hours longer.

Question. Did he tell you for what purpose he wished to purchase her?

Answer. For an excursion boat.

Question. In what waters?

Answer. To run in and around New York.

Question. Did you see him again before you concluded the sale?

Answer. Yes, sir.

Question. Did you conclude it with him?

Answer. No, sir; he said he could not raise the money; and then

he said he had other parties who would take her, and pay for her, and he brought forward Mr. Stetson.

Question. And you concluded your sale with Mr. Stetson?

Answer. With Stetson and Develin.

Question. How soon after this proposition made by Morton did you conclude your trade with Stetson and Develin?

Answer. The next day.

Question. Did anybody examine the ship in the meantime?

Answer. They were there looking at her.

Question. Any one else with them?

Answer. I understood that Captain Comstock was there.

Question. What is his business?

Answer. He is the president of the Norwich line, and was captain of the steamer Baltic.

Question. Did you receive your pay at the time?

Answer. I did from Stetson and Freeman.

Question. In what form?

Answer. By check upon some bank in Wall street.

Question. Did they state what they wanted to do with the ship?

Answer. They stated they had a charter for her.

Question. Did they state from whom?

Answer. From the government.

Question. When did they make that statement?

Answer. After she was bought.

Question. How soon after she was bought?

Answer. Before the money was paid.

Question. Did they state the terms of the charter?

Answer. No, sir.

Question. How soon was that after the vessel was bought?

Answer. She was bought on the 25th of April, and she left here on the 26th or 27th. She went round from her berth on the East river to the North river.

Question. How soon did they pay the money after they bought her?

Answer. The next day.

Question. At what time that day did they purchase her of you?

Answer. The matter was settled before 3 o'clock.

Question. And what time next day did they pay the money?

Answer. Before the 36 hours was out, stipulated for in the original proposition of Mr. Morton.

Question. And before the money was paid they told you of this charter?

Answer. I heard of it before the money was paid.

Question. Did you hear of it from those persons?

Answer. No, sir, but from Mr. Phillips, captain of the boat—their captain.

Question. And that was before the money was paid to you?

Answer. Yes, sir. I say *before*, but it was before or immediately after or before the whole of it was paid. A part of the price was paid one day and a part the next day.

Question. What was the condition of the boat when sold?

Answer. It was in good condition.

Question. Ready for sea?

Answer. She was almost ready. She was taken from Williamsburg to the North river, and repaired there.

Question. What repairs did she need?

Answer. Only some small repairs upon her boiler.

Question. Was she furnished when you sold her?

Answer. Yes, sir.

Question. Do you know of any other ships being rented by the government about that time?

Answer. No, sir.

Question. How long had she been under advertisement?

Answer. About a week.

Question. How long had you owned her?

Answer. About five years previous to 1857.

Question. Did you have charge of her while your sister owned her?

Answer. Yes, sir.

Question. To what service did you put her?

Answer. On the regular route to Bridgeport.

Question. What was a fair monthly charge for renting her, including the running of her?

Answer. I should not want to rent her less than \$150 a day, and run her myself. I have got as much as \$200 a day for her and run her myself.

Question. For any length of time?

Answer. In the months of June, July, and August, from \$150 to \$200 a day, according to the distance she run. If she ran twelve hours a day I should get \$200. For short excursions, when under steam five or six hours, I would get from \$125 to \$150, according to the weight she carried.

Question. Could boats of that capacity be obtained about this city about the time you sold her?

Answer. No, sir; I think there was not her equal in New York.

Question. What was there peculiar about her?

Answer. Her strength and her timber. There was not a boat in New York that had such timber in her. Such timber does not grow now, at any rate for ship purposes.

Question. Suppose she was to be chartered to go to Annapolis and the Chesapeake bay, what would be a fair rent for her?

Answer. I would not charter her for less than \$300 or \$350 a day.

Question. And provided all risk not covered by insurance was taken off your hands?

Answer. I should not like to take less.

Question. Why do you make that increased price?

Answer. Because it is a long route; and not only that, but you would have to pay higher salaries to captain, pilots, and engineers, to go down there than you would if she ran around New York.

Question. What more wear and tear would there be to the vessel in going there than anywhere else?

Answer. I suppose there would be a little more wear from a little rougher sea outside.

Question. Would there be any more wear between Annapolis and Fortress Monroe?

Answer. When once there I do not suppose there would be any more risk.

Question. But in the proposition I make all the risk is taken off your hands which is not covered by insurance.

Answer. There is more risk in running there than in our waters.

Question. But if all the risk is covered by the charter what odds does it make to you?

Answer. It would not make any odds.

Question. And when I propose to charter her and take upon myself all the risk which the insurance does not cover, what would be a fair rent for her?

Answer. And find her yourself?

Question. No, sir, you find her.

Answer. I think the charter would be worth \$300 a day.

Question. You would not rent her for less than \$300 a day when all the risk is taken off your hands, when you would rent her for \$150 or \$200 in these waters. What makes the difference?

Answer. If a man wanted to hire a boat to take to Fall River I should charge more than for a boat to run in and around New York or to go up the North river.

Question. Do you mean that you would not charter this vessel for three months for less than \$300 a day?

Answer. I would not.

Question. What would be the outgoes per day in an engagement for three months?

Answer. I do not know how much coal she would burn.

Question. Give us the outgoes aside from the coal.

Answer. I do not know as I could give you the cost of running her from here there.

Question. Give us that idea you had about the wages which enabled you to fix the price at \$300 a month.

Answer. I suppose the pay-roll would amount to \$1,500 or \$2,000 a month. In addition to that there would be her coal. She would burn a ton of coal an hour, and sometimes one and a half tons an hour. Then there would be the wood and oil and the feeding of the men. The coal is worth in the neighborhood of \$4 a ton, which, for 12 hours service daily, would be \$50 a day. Wood and oil for all purposes would cost ten dollars a day.

Question. How many hands would be needed?

Answer. For running outside you would want about ten deck hands. You would want a captain, a first mate, a second mate, two pilots, two engineers, and four firemen. I think the pay of all of them would amount to \$2,000 per month.

Question. How do you divide the expense between them?

Answer. I do not know what they pay captains for going outside.

Question. We have been asking you about expenses for running outside, and you gave us \$2,000 a month; now I want to know your estimate in detail.

Answer. I give my captains from ten to twelve hundred dollars a

year, running on short routes. A pilot is worth \$75 a month; an engineer is worth \$100 a month; the first mate is worth \$75, and a second mate \$50 a month; deck hands are worth from fifteen to twenty dollars a month; a clerk from fifty to seventy dollars; a cook and assistant is \$50 a month; three men waiters at \$20 a month each.

Question. That, all told, is less than \$1,000 a month.

Answer. I ran upon a short route of four hours, and my pay-roll amounted to over \$800 a month, and you would have to pay more for running down there than you would for running here. They had on that boat an engineer of one of the California steamers, and they must have paid him \$1,000 or \$1,500 a year; and \$25 a month is the lowest you would pay for firemen.

Question. (By Mr. Steele.) Your estimate, as I have taken it down, is as follows:

1 captain, per month	\$100 00
1st mate	75 00
2d mate	50 00
2 pilots	150 00
10 deck hands	200 00
1 clerk	50 00
2 cooks	50 00
3 waiters	60 00
2 engineers	150 00
4 firemen	100 00
	985 00

Is that right?

Answer. Those are the items.

Question. Then the coal, at round figures, is \$50 a day or \$1,500 a month, and wood and oil \$10 a day or \$300 a month, which would make the whole expense \$2,785 a month, according to your own estimate. Are there any other expenses?

Answer. Only the feeding of the men.

Question. These items, according to your judgment, constitute the monthly outlay for the boat?

Answer. With the exception of the prices to be paid to the men; they may charge more for running south.

Question. Cannot you get hands for \$15 a month?

Answer. You cannot get good men for less than \$18 or \$20 a month.

Question. These expenses figure up \$2,785 a month, and \$200 added would cover everything, would it not?

Answer. Yes, sir.

Question. Suppose you charter her then for \$5,000 a month, it would leave you \$2,000 profit a month. What would the marine insurance for such a voyage be?

Answer. I had her insured for going to Newport or Boston, or anywhere else around here, for five per cent. a year. She was called a first rate boat for strength.

Question. How was her machinery?

Answer. It was good. The only thing she wanted was a new

boiler. I would not have looked at an offer of less than \$25,000 for her, but that I owed the money. That was the only inducement which led me to sell her.

Question. Did you have any interest, connexion, or understanding with these men?

Answer. No, sir; I never saw any of them before except Mr. Stetson. I do not think that \$10,000 a month was too high for the boat.

Question. But according to the calculation here made it would pay an enormous profit.

Answer. But they must make a profit.

Question. (By Mr. Washburne.) But here she was sold for \$18,000, and chartered to the government for \$10,000 a month.

Answer. She was worth more than that.

Question. (By Mr. Steele.) You would have sold her to the government for the same?

Answer. It made no difference with me to whom I sold.

Question. You sold the boat for \$18,000, and it seems it cost to run her \$2,785 a month.

Answer. There is nothing included there for repairs and insurance. When I first bought her I paid for her, out and out, in eight months from her own earnings. Steamboat business is good business once in a while, and sometimes it is not. Other boats have been chartered by the government for a great deal more money.

NEW YORK, *August 28, 1861.*

BENJAMIN F. WOOLSEY was sworn and examined, as follows:

Examination by Mr. Washburne.

Question. State to the committee your business and place of residence.

Answer. My business is that of a ship chandler, and I reside in Jersey City.

Question. Do you know anything in relation to the steamer Cataline, and particularly in regard to her charter to the United States government?

Answer. I do not know anything about her charter to the government. The first I knew of it was when I saw her loss reported.

Question. Have you had any connexion with her?

Answer. None, except that I chartered her some years ago to take the place, temporarily, of a boat I owned. I have had nothing to do with her since 1849. My brother and myself then chartered her of the owner, Mr. Peck.

Question. What kind of a boat was she?

Answer. Not much of a boat then.

Question. Have you known anything of her recently?

Answer. I have not, except that I have seen her running upon the

East river since that time. I do not know that I have been on board of the Cataline in nine years.

Question. Are you sufficiently acquainted with steamers to judge of her value?

Answer. I have built boats, and owned them.

Question. What was the value of that boat when she was chartered in April last?

Answer. I should think she was worth from \$10,000 to \$12,000. She had a pair of boilers upon her guard when new, and she was a boat which would cost, when new, from \$27,000 to \$30,000.

Question. (By Mr. Holman.) She was built in 1844. Does your estimate of the cost of building her apply to that time, or what it would cost to build her now?

Answer. It would not have cost more than that to build her within the last year or two. I do not believe I should have been willing to have given for her, within the last two years, over \$10,000 or \$12,000. I do not think that, at the time of her construction, she could have cost over \$27,000 or \$30,000.

Question. Did you furnish anything to the Cataline?

Answer. Nothing.

Question. Do you know anything about her charter?

Answer. Nothing.

Question. (By Mr. Steele.) You say you chartered her in 1849. For how long a time?

Answer. We were overhauling one of our boats, and we chartered the Cataline for, I think, about two months.

Question. How much did you pay?

Answer. I should say about \$75 a day.

Question. Did you run her yourself, or did they?

Answer. We furnished the supplies, but they run her. They furnished a captain, an engineer, and an assistant, I believe. That is all they furnished.

Question. What did it cost you altogether?

Answer. We run her 120 miles a day, and it cost about \$220 a day. I did not have the footing of the bills, but I know that was about the expense, charter and all.

Question. (By Mr. Holman.) In a long trip of three months, what would the relative expense be?

Answer. That would depend, in a great measure, upon the number of miles run a day, as upon that depends the amount of coal used.

Question. What could you have chartered a vessel for at the time this was chartered, which would have answered the purpose for which the Cataline was chartered; and could vessels of that kind have been found?

Answer. And the government insure her against loss?

Question. Everything except such as would be covered by insurance, and the owners furnishing everything.

Answer. I think a boat of that capacity could have been chartered for three months—and, indeed, I should have been willing to have furnished such a boat—for from \$150 to \$175 a day. If she was run all the time, and at high speed, it would make considerable difference.

Question. (By Mr. Holman.) From the 20th to the 25th of April last, were there a sufficient number of unemployed vessels about the city of New York, so that the government could have engaged vessels on reasonable terms?

Answer. There were a plenty of them, and they could have been chartered in the city of New York, to do the work the Cataline did, for \$125 to \$150 a day, and there would have been no difficulty in engaging such vessels. I think I would have been willing to enter into an arrangement to furnish a vessel to do the work she did, and run the number of miles she did, for \$125 to \$150 a day. Of course I do not know certainly the number of miles she run in a day.

Question. (By Mr. Steele.) How many tons of coal would she consume in an hour?

Answer. She would consume a half a ton an hour, at an ordinary rate of speed.

Question. Will you state what hands she would need, and the price for which they could be obtained, and the other expenses of running the boat?

Answer. 1 captain, (per month).....	\$100
1st mate.....	45
2d mate.....	25
2 pilots.....	100
4 deck hands.....	60
No clerk needed.	
2 cooks.....	30
1 waiter.....	12
2 engineers.....	100
4 firemen.....	100
Coal.....	750
Oil and wood.....	75
Provisions.....	240
Insurance.....	180
	1,817

She would not want more than 4 deck hands, at \$15 a month. I have been in the habit of employing them and have never paid more than that. A clerk would not be necessary. One waiter would be sufficient. Two dollars and a half a day would be sufficient for wood and oil; but little would be used. Eight dollars a day would feed the hands well. I cannot see that there would be any other expenses.

Question. Who loads and unloads the boat?

Answer. I suppose they would usually employ stevedores, with the assistance of the deck hands, in the business in which she was engaged, the government paying the expense.

Question. (By Mr. Holman.) What would the repairs of such a vessel cost, supposing she was in good condition at the time of the employment by the government?

Answer. I do not see that it could be anything, unless some accident should happen, if she was in good order when she went there.

Question. What would be the deterioration of a vessel and of the rigging of a vessel worth \$18,000?

Answer. I think it would be very small, and would be hardly worth taking into consideration in the matter of a charter.

Question. Would there not be a deterioration in the natural wear of the vessel?

Answer. Yes, sir; but he is paid for that in the charter.

Question. Do you think the amount you have allowed for expenses to be a liberal allowance?

Answer. I think my estimate would cover all the expenses.

Question. What would be the insurance for three months?

Answer. Probably three per cent. for three months, supposing the vessel to be worth \$18,000.

Question. From your knowledge of chartering steamers, your knowledge of the Cataline, and the service for which she was chartered, what is your judgment as to what would have been a fair price per month for her charter by the government, the parties chartering her to the government paying all the expenses of running her?

Answer. If I had owned that boat I would have been willing to have chartered her to the government for that work, and run my own risk by way of insuring the boat, for \$200 a day. That is upon the supposition that I was to run her all or most of the time, and at a moderate speed.

Question. You know the service upon which this steamer was engaged?

Answer. I do not know how often she ran her trips from Annapolis to Fortress Monroe.

Question. In answering the question you took into consideration the fact that the question implied that the government is to be responsible for any loss which might result to the boat from causes not covered by the insurance?

Answer. Yes, sir.

Question. (By Mr. Holman.) What would be a fair price for the vessel, taking into consideration all the facts stated, for a period of three months, the party by whom the vessel is chartered paying all the expenses?

Answer. \$25 a day would be a fair price.

Question. (By Mr. Steele.) The expenses, as you have given to me the items, including everything, amounts to only \$1,817 dollars a month, including insurance upon the basis that the boat is worth \$18,000. Now, if you chartered her to the government at \$200 a day, it would be \$6,000 a month, and that would have left you a profit of \$4,183 a month for the natural wear and tear of the vessel and interest money.

Answer. That would be a very good business she would pay for herself in four months, or less.

Question. Have you such a knowledge of the Cataline as to be able to state that there was anything peculiar in her structure to make her more valuable than other boats of like dimensions?

Answer. No, sir. I was aboard of her a number of times while she was being built, as I thought I had a place for such a boat. I saw

her keel laid, and there was nothing very remarkable about her strength. I know she was considered what we call a very tender sided boat; as to her being extra strong, I do not consider her so.

Question. (By Mr. Holman.) I suppose you have based your answers upon your general knowledge of the condition of the shipping in the vicinity of New York.

Answer. I have. Other boats could have been chartered upon the terms I have named that would have done as good service.

Question. Have you been in the steamboat business many years?

Answer. I have been connected with steamers nearly my whole life, in a variety of capacities—as clerk; as captain; as agent for them, for more than twenty years in the city of New York. I have always made it my business to watch the building of boats; estimating their value; and have generally considered myself a pretty good judge of the speed, capacity, value, and sea-worthiness of boats.

B. F. WOOLSEY.

NEW YORK, August 28, 1861.

JOHN A. BOYLE was sworn and examined as a witness, as follows:

Examination by Mr. Washburne.

Question. What is your business and residence?

Answer. My residence is in this city, and I am clearance clerk the custom-house.

Question. State all you know of the clearance of the steamer Cataline.

Answer. I do not think she took a clearance. I cannot find any record of one. I was told she was going out for the government, and many vessels in the employment of the government have gone without a clearance. She changed her papers on the 27th of April. Formerly she was owned by Margaret A. Corlies, of Brooklyn, and was sold to Charles A. Stetson, jr. By reference to a bill of sale in the custom-house, she was sold on the 24th of April, 1861, which bill of sale was filed for record on the 27th of April, 1861. She was enrolled and licensed the same day, James O. Phillips, master.

Question. Did you know of any difficulty in regard to her getting a clearance?

Answer. No, sir; the only difficulty I know of, if you may call it a difficulty, was in reference to getting her license and enrolment. Some persons were apprehensive that all was not right, and they inquired of me whether I had given her her papers. I told them they were in process of deliverance then. I went into the collector's room and inquired about it, but it seemed that all the difficulty had been settled before that time, and she was allowed to have her enrolment and license. But I think there was no clearance granted. Many vessels have been chartered by the government which have gone away

without any clearance. Either Mr. Stetson or one of the parties with him told me this vessel had been chartered by the government.

Question. Is it the practice in the custom-house when a man says a vessel is chartered by the government to let it go without a clearance?

Answer. No, sir; I am not certain that this vessel was cleared. Sometimes vessels get their license and enrolment months before they are cleared. The law does not require a vessel under a coast license to get a clearance unless she goes south of a certain district, or unless she has on board foreign goods to the amount of \$400, or distilled spirits. But a registered vessel is required to get a clearance in all cases. This was only an enrolled and licensed vessel.

Question. (By Mr. Holman.) On what day did this vessel leave?

Answer. My impression is the 27th or the 28th of April. The parties seemed in a great hurry. The bill of sale was dated the 24th, and was received for record the 27th, and I think she left the same day. Captain Phillips was named as commander.

Question. Ordinarily you have to give clearances to vessels going as this vessel did, on such a voyage?

Answer. If she was going south of a certain district.

Question. She was going to Annapolis and Fortress Monroe.

Answer. Then the law would not require her to have a clearance.

Question. Did you know anything of the character of that vessel?

Answer. No, sir; I only knew she had been running on the sound here.

Question. Did you know anything about her sale, or of the parties connected with it?

Answer. Nothing whatever. All I know is as to her enrolment and license.

Question. You knew there was some difficulty.

Answer. There seemed to be some difficulty, and I went to the collector's office to inquire; but everything seemed to be settled, and I was told to grant the enrolment and license, and I did so. There was no question about a clearance, but only about a license. Vessels licensed are not obliged to clear.

Question. But a vessel must be licensed?

Answer. Yes, sir.

Question. A clearance is an authority to go to a certain port.

Answer. Yes, sir.

Question. Mention the name of anybody besides Mr. Stetson, if any such there was, who made application to any other officer of the custom-house for the granting of a license.

Answer. Mr. Stetson seemed to be the principal party. He also had Mr. Develin with him. Who the other man was I do not know.

Question. Was Mr. Freeman there?

Answer. I do not know Mr. Freeman.

Question. Did these gentlemen manifest anxiety that the vessel should receive a license?

Answer. No more anxiety than usual.

Question. How did you ascertain that there was any difficulty about the enrolment?

Answer. Some one came to ask me if they had got the papers, based upon the bill of sale, properly signed and acknowledged.

Question. Do the papers have to go through the hands of any clerk except your own?

Answer. Yes, sir; they have to go through my hands, then the cashier's, then the deputy collector's, and last through the naval officer.

Question. (By Mr. Dawes.) Before the papers got through your hands there was some difficulty.

Answer. I do not know.

Question. Had you done your part before you heard of the difficulty?

Answer. I think the papers were not quite completed in my hands. I heard, before the papers had passed me, that there was some difficulty. I went into the collector's office, and the matter had been investigated there, and nothing then seemed to be in the way of issuing the papers, as I could learn.

Question. In what department of the custom-house did she get into difficulty?

Answer. I cannot say.

Question. What are the specific duties of your office?

Answer. My duty is to see that a vessel has the proper authority to get an enrolment and license. If there is a bill of sale, I see that it is a proper bill of sale, duly signed and acknowledged. Then the papers go to the cashier, who receives the pay; thence to the deputy collector, who swears the owner and the captain. The owner swears that he is a citizen of the United States, and the sole owner of the vessel; and the captain, that he is a citizen of the United States, and master of the vessel. Thence the papers go to the naval office, where the enrolment and license is signed, and that completes the matter. After the papers leave my hands the action of the other departments is pretty much a matter of course—they taking it for granted that all is right. Generally no inquiries are instituted after the papers leave my hands.

Question. Who were the persons who made the inquiries of you?

Answer. I do not know. It is impossible for me to remember.

Question. Was the collector, or any officer under him, investigating the matter?

Answer. I do not know. The question was merely asked me if the vessel had got her papers.

Question. Was the only question raised whether the transfer of the vessel was regular?

Answer. I do not know.

Question. Was it any part of your duty to ascertain the ship's destination?

Answer. The manifest shows that.

Question. How is it in reference to a vessel which only asks for an enrolment and license?

Answer. If I saw any suspicious circumstances, of course I should stop the vessel, as I did in the case of the vessel Alabama the other day. The title of the vessel was all I had to look at.

Question. Do you know what she was loaded with when she left here?

Answer. I have not the slightest idea.

NEW YORK, *August 29, 1861.*

ISAAC O. PHILLIPS was sworn and examined as a witness, as follows:

Examination by Mr. Washburne.

Question. Please state your business and place of residence

Answer. My business is steamboating, and I reside in Williamsburg.

Question. Do you know anything of the steamboat Cataline?

Answer. Yes, sir.

Question. How long have you known her?

Answer. I joined her in April last. She changed hands at that time.

Question. State to the committee fully your connexion with her?

Answer. I was employed to take charge of her as captain. I had no interest in the boat. I was employed by Freeman & Co., of South street, in this city. They are shipping merchants.

Question. For what purpose were you employed?

Answer. I was employed to go down to the Chesapeake with the boat, in the employ of the government, as my letters of instruction represent.

Question. Have you the letters with you?

Answer. No, sir; they were burned up with the boat. I was under the direction of and subject to the orders of the quartermaster, or of the major general of the army, at any port where I might be at.

Question. Who did you understand to be the owners of the boat?

Answer. The boat stood in the name of Charles A. Stetson, jr., but M. M. Freeman & Co. paid the money for the boat.

Question. For what purpose was the boat chartered?

Answer. She was chartered for the use of the government.

Question. When was that?

Question. At what time was that?

Answer. She was bought about the 20th of April, and we went into commission on the 25th of April.

Question. State the facts in relation to your voyage down to the Chesapeake?

Answer. I left New York at 12 o'clock m. on the 29th day of April for Annapolis.

Question. What was your loading?

Answer. The bulk of 1,500 barrels of government stores, and 18 head of cattle on deck.

Question. Was that a full load?

Answer. No, sir ; we could have taken more, but I did not want to get loaded too deep for an outside voyage.

Question. You were employed as captain of the boat by Freeman & Co ?

Answer. I was, for so much a month; but afterwards he contracted with me to victual, coal, man, and run the boat for so much per month.

Question. What did you contract with them to run the boat for, independent of your wages?

Answer. My whole contract amounted to \$3,100 a month, including my monthly wages.

Question. Was the contract a written one?

Answer. No, sir ; it was a verbal one, to victual, man, coal, and run the boat.

Question. What did it cost you to run the boat?

Answer. It cost nearly the whole of the amount I was to receive. I have not yet made up the whole account of my expenses.

Question. When can you get it made up.

Answer. That depends upon the lawyer who has the matter in hand.

Question. Did you have a clerk on board?

Answer. No, sir ; I acted as my own clerk.

Question. Can you give the committee some idea of the items of the cost of running the boat.

Answer. Some days it was more than on others. The average daily consumption of coal was about twelve tons, and some days less.

Question. Can you not give us a detailed statement of the actual cost?

Answer. I made up the statement once, and I think it was \$2,800 per month.

Question. You had the items from which to make up the amount?

Answer. Yes, sir ; I knew how many men I had, and could come close to the amount.

Question. And you can get the same items again?

Answer. Yes, sir; but I can detail them to you now. I know how many men I had. The government kept us going pretty lively for sixty odd days. We did not have steam off the boat once in sixty-eight days.

Question. This bargain, I understand you, was made with Freeman & Co., and not with Stetson or Develin?

Answer. Yes, sir; the vessel was placed in their hands and everything pertaining to her, and I fitted her out myself under Freeman & Co., and they paid all the bill.

Question. At what cost?

Answer. I laid out some \$4,500 previous to leaving.

Question. Now give us a detailed statement of the cost of running the boat per month.

Answer. 1 captain	\$300 00
1st engineer	100 00
2d engineer	75 00
8 seamen, at \$20	160 00
4 firemen, at \$30	120 00

4 waiters, at \$16.....	\$64 00
1 porter.....	20 00
1 storekeeper.....	30 00
1 pilot.....	100 00
1 steward.....	50 00
2 cooks, at \$35 and \$25.....	60 00
1 boy	10 00
1st mate	60 00
2d mate	30 00
	1,184 00
	5 00
	1,179 00

Question. What coal did you burn?

Answer. We burned anthracite and another kind, and about twelve tons per day when constantly running.

Question. What was it worth a ton?

Answer. Down there it cost six dollars per ton.

Question. Did you take it from here, or did you get it there?

Answer. I took only my complement here to carry or take the boat there. I afterwards got coal from Annapolis, and at different points where I could get it. The amount of coal I took from here was only sufficient to take me there.

Question. How much coal on an average did you consume?

Answer. I suppose it would average ten tons; some days less.

Question. Did you pay six dollars a ton for it?

Answer. Yes, sir, I paid six dollars per ton for it. I usually purchased steamboat coal, as it was screened and went further than that which was in the lump.

Question. Then there is wood, tallow, oil, and provisions to be added in. What would the wood amount to?

Answer. The average cost of wood would be about three and a half dollars a day.

Question. How much was the expense for oil?

Answer. I had four barrels when I started from here, and I do not know how much I had on hand when the boat was burned, but I judge there was at least half of it.

Question. How much did it cost per gallon?

Answer. I had two kinds. The best cost \$1 75 per gallon, and the other cost \$1 12½. For machinery the best oil is the cheapest.

Question. Give us an estimate of what the oil would cost per day?

Answer. I think the oil, with the engine department, would cost about three dollars per day.

Question. What would the provisions cost?

Answer. I generally calculate that the provisions would average ten dollars a month per man.

Question. Then as you have given us a list of twenty-eight men, that would cost \$280 a month?

Answer. Yes, sir, I should think it would take all of that a month

to victual that number of men. We ran the boat for the government, and furnished everything according to the charter. We had to furnish the whole for \$3.3 a day.

Question. Whom do you mean by *we*?

Answer. I mean the owner, as I was under service of owner and agents.

Question. Had you any interest in the vessel?

Answer. No, sir. I referred entirely to the owners. I contracted with the owners to run the vessel myself. If I could save anything out of the contract, well and good; and if I could not I would only have my wages. I made a bargain in the first place for \$300 a month for my services. Afterwards they wanted me to come to some understanding as to expenses. The result was that I made a bargain to furnish everything for \$3,100 a month, including my wages.

Question. Did you have in your employ on the boat all the persons you have designated to the committee?

Answer. Yes, sir; but not the whole of the time.

Question. What was the necessity of so large a number?

Answer. In going upon an expedition of that kind where you are obliged to run night and day, you must have enough hands to keep watch and watch upon the vessel, and to take care of her. Men cannot work twenty-four hours, and you must have hands enough to change day and night, or to keep watch and watch.

Question. How long was the vessel employed by the government?

Answer. Two months and eight days.

Question. Did the government make any payment, and did you get any pay?

Answer. I have received money on my contract. I have not settled with the agents yet.

Question. Then you have been paid nearly \$5,000?

Answer. Yes, sir; I think I have received \$5,800, or about that.

Question. By whom was it paid?

Answer. By Mr. Freeman & Co.

Question. And you have had no transactions outside of Freeman & Co.?

Answer. No, sir; as far as the business of the boat went.

Question. Where was this steamer burned?

Answer. Just on the south side of Fortress Monroe.

Question. What were the circumstances connected with her destruction?

Answer. The evening upon which she was burned I had gone up to Newport News, having on board General Butler, his wife, and some other ladies, as well as a portion of his staff, to have a review. We returned a quarter before nine o'clock. I had made two trips that day to Newport News, a distance of about eleven miles. I brought down General Butler and his staff, and landed them. I was on my return to Newport News when the fire broke out, and had got just outside of the Point. It was about or a little after nine o'clock at night when I backed out. I was on the hurricane deck at the time. I started the boat ahead, and told the pilot to heave the helm a starboard to clear the shoal. I told the engineer to go ahead three or

four revolutions, sufficient to swing her around, so that she could back out. I got clear of the shoal, and was ready to go back, when I looked around and saw the fire coming out from around the steam chimney and stack.

Question. Then you were not at the wharf?

Answer. No, sir. We were under way. I immediately went down from the hurricane deck, and told the engineer to put on the hose. He said they were on. We always had the hose stretched. We made every exertion to save the vessel; but it burned like tinder, and in ten minutes the boat was one sheet of flame from forward of her smoke stack the whole length of her aft.

Question. How did you get ashore?

Answer. I went forward, and let the anchor go. We had eleven rounds of rifled-cannon cartridges aboard. I told the men to get the powder and shell out. They got them out, and threw them overboard; and by the time that was accomplished the boat was in a perfect blaze. By that time twenty-one government boats had got alongside of us.

Question. How far were you from the shore when the conflagration took place?

Answer. Not more than a hundred yards from the beach.

Question. How did the fire originate?

Answer. I cannot account for it, except that it must have caught among some of the joiner work about the boiler. All we had to do that night was to go from Old Point up to Newport News, and there lay until the next morning at seven o'clock, to take down to Fortress Monroe what men, officers, and soldiers had to come down. Twenty-one boats came to us from the vessels and small craft lying at anchor at that time. I suppose there must have been three thousand people there at that time. These boats would average about thirty men each, and all they saved from our vessel was this James's rifled cannon, and that they would not have saved but for the fact that it was on the forward deck. There was not a man on the boat that saved anything except what he stood in. They saved none of their clothing except what they had on their backs; and I had paid the poor fellows off but a few days before that, and many of them had their money in their trunks.

Question. When did the boat go into commission?

Answer. On the 25th of April, and she was employed two months and eight days.

Question. What profit did you make upon your contract for running the boat?

Answer. I did not make anything except what I made upon my wages; I am not able to state positive how much; I had no interest whatever in the boat. I had all the bills, but all my books and papers were destroyed by the fire.

Question. Did you pay the men the wages you have mentioned to the committee?

Answer. Yes, sir; and there is not a man I owe a dollar to. I owe some bills yet.

Question. And you paid the full amount to each man, as you have stated?

Answer. Yes, sir.

Question. Do you know of any other persons connected with the ownership of the boat except Freeman & Co.?

Answer. The only men I know as having anything to do with the ownership of the boat are Freeman and Stetson.

Question. Where was the money for the purchase of the boat paid?

Answer. It was paid in Liberty street, at Halsey's. I laid out \$4,500 upon the boat.

Question. Who advanced that?

Answer. Mr. Freeman & Co.

Question. Who is Halsey?

Answer. He was a man who did business for Corlies's sister. He keeps a store in Liberty street.

Question. Was Corlies about there?

Answer. Yes, sir, and so was his sister. She had to come there to execute the necessary papers for the transfer of the boat.

Question. You saw the money paid?

Answer. Yes, sir; I saw two certified checks, one for \$10,000 and one for \$8,000. I think Halsey had a mortgage upon the boat. Freeman & Co. advanced the money.

Question. Are they monied men?

Answer. Yes, sir. Freeman is a very heavy merchant in New York, and is president of the Mechanics' Banking Association of this city.

Question. (By Mr. Fenton.) Was Charles A. Stetson, jr., present at the time this money was paid over?

Answer. I do not remember. I know the lawyer was there as well as Freeman.

Question. To what lawyer do you refer?

Answer. Mr. Develin.

Question. Did you know anybody other than Freeman & Co. as owners of the boat?

Answer. Stetson owned the boat, but Freeman & Co. paid the money and were the agents of the boat.

Question. Why do you speak of Freeman & Co. as the real owners?

Answer. I think they were the *bona fide* owners because I had a letter stating that the boat and the charge of her were turned over to them.

Question. Have you any other reason for supposing they were the owners?

Answer. No, sir.

Question. You know of no reason why they used the name of Mr. Stetson?

Answer. I do not. I only know that his name was upon the papers in the custom-house.

Question. You spoke of your accounts not being yet adjusted, and said you were waiting for this lawyer to examine them. Is he your attorney?

Answer. He is the attorney for Freeman & Co., and I left the

matter in that way, and submitted the bills to him. It was my orders from Freeman to do so.

Question. What are the names of the two engineers you employed?

Answer. The name of the chief engineer was Peter McNamarra. He lives in Williamsburg. The name of the other is Simmons. He is out of the city. You will not be able to get hold of him.

Question. Do you know where he resides?

Answer. He is a single man, and is off upon some boat. I do not know where he has gone.

Question. What was the name of your pilot?

Answer. His name is Kirwin, and is a Baltimorean. I do not know where he is now. He went home to Baltimore after the boat was burned.

Question. Do you know his first name?

Answer. I do not know. I can ascertain by getting my protest, which I entered in Baltimore.

Question. What are the names and residences of your mates?

Answer. The name of one of them is Johnson. His Christian name I do not remember. The name of the other was Francis Harris.

Question. Where does he reside?

Answer. In New York when he is at home. But he has cleared out and gone among the seceshers.

Question. Was he on the boat when it was burned?

Answer. No, sir. He talked pretty sharp in behalf of the south one day, and I sent him off.

Question. Where does the other mate reside?

Answer. I do not know. He used to be in the Liverpool trade here. I don't know where he has gone. He is a single man.

Examination by Mr. Dawes.

Question. What other expenses were there in running the boat except what came under your contract?

Answer. Not any material expenses, only general or ordinary repairs, the insurance, and the like of that, that I did not have to pay.

Question. What bills have you got to submit to the lawyer.

Answer. All the bills of my expenses. He wants to see that it is all right.

Question. But you were to be paid under contract.

Answer. But the owners want to see everything closed up.

Question. The lawyer wants to see that you are not cheated.

Answer. No, sir; but to see that Freeman & Co. are not cheated.

Question. How can they be cheated?

Answer. Well, I am not worth anything, and if my bills are not paid the seamen would have a claim upon the owners of the vessel as well as upon me.

Question. In point of fact the only thing they could be held liable to you for is \$3,100, and all the other expenses of the boat would be the insurance and repairs.

Answer. That is all; the boat was insured for \$20,000.

Question. What was your employment before you took charge of this boat?

Answer. I have been in the steamboat business in New York for 25 years.

Question. Who first made the proposition to you to take charge of this boat?

Answer. Mr. Develin, the lawyer.

Question. At what time?

Answer. I think it was about the 22d or 23d of April.

Question. Before or after the money was paid?

Answer. Before.

Question. How long before?

Answer. The boat went into commission on the 25th, and then I was employed on the 25th.

Question. But application was made to you on the 22d.

Answer. I think it must have been on the 18th or 20th of April.

Question. How many days before the contract for the boat was made?

Answer. Some three or four days before the arrangement was consummated.

Question. When application was made to you were you informed what boat you would have charge of?

Answer. It was not mentioned to me until the 18th or 20th of the month.

Question. Application was made to you on the 20th.

Answer. Yes, sir; on 18th or 20th.

Question. When application was made to you was it to take charge of this particular boat?

Answer. Yes, sir; on the second time I saw them they asked me what I thought of her; I told them it was a pretty good boat; she had recently been repaired.

Question. How many days was that before you saw the contract?

Answer. I did not see the contract until ready for sea; I think that was about the 29th of April; I saw the money paid over some two or three days previous to the 25th, as near as I can recollect now; I cannot speak definitely now; Develin can tell you exactly.

Question. Did you enter into the contract before the money was paid over?

Answer. No, sir; the whole thing was not closed up finally until about the time I went away; I was on the boat and fitted her out; my wages was arranged previous to that.

Question. Did you know anything about the manner in which this boat was constructed?

Answer. Yes, sir.

Question. Was there anything unusual about her?

Answer. I think she was a very strong boat; she was copper fastened throughout and was very heavily timbered, and besides that, she was built up under her guards.

Question. Was that after the boat was purchased?

Answer. No, sir; before; the bill for that work was \$2,500; she was

so repaired that she could stand the sea; Seacor & Co. had a bill of \$2,500 for repairs upon her machinery prior to April, 1861.

Question. When did you have anything to do with the officers of the government touching that boat?

Answer. Nothing until I reported myself at Annapolis. I got my instructions to proceed to that point and report myself to the officer in command there.

Question. From whom did you receive that letter of instruction?

Answer. From Mr. Develin.

Question. Was the cargo the property of the government?

Answer. Yes, sir; the cargo was government stores taken from here.

Question. You had nothing to do with the officers of the government while the stores were being put upon the boat?

Answer. I received the stores on board as I would if they had been sent by you. I received them and gave a receipt. I delivered the stores to the officer at Annapolis.

Question. Had you any conference with the officers of the government in this city before you left?

Answer. No, sir.

Question. And your first communication with them was after your arrival at Annapolis?

Answer. Such was my letter of instructions. I landed there and discharged all the freight I had on board.

Question. Your service for the government commenced when you left this port?

Answer. We went into commission on the 25th of April, as stated in the charter-party. Its terms were that we were to receive \$10,000 a month, we to furnish the boat and pay all expenses; government was not to be put to any expense. The boat was to be ready on call at any time, and if she even lost one day it was deducted. She did not lose one day. Other boats at the same time were getting six hundred dollars a day, and were lying idle for days at a time. The boat I particularly refer to was the Stars and Stripes.

Question. Where does she belong?

Answer. At New Haven.

Question. Of whom did the government charter that boat?

Answer. I do not know.

Question. What do you mean by losing a day?

Answer. If we were not in a condition to answer orders at any time it was our loss, and the time was deducted; but if we were ready, and simply waiting orders, the time was not deducted.

Question. What transactions had you at the custom-house before you left?

Answer. None further than getting the papers transferred from the old to the new owners.

Question. What did you do?

Answer. I went to get my enrolment and license.

Question. Did you encounter any difficulty?

Answer. No, sir; Mr. Stetson told me to go to the custom-house

and get the papers, and I got them ; I suppose he had arranged so I could get them.

Question. Any delay ?

Answer. No, sir.

Question. Was any question raised about issuing the papers ?

Answer. No, sir ; I had the old papers and the new bill of sale. The custom-house officer made the transfer on his books. He retained the old bill of sale as well as the old enrolment and license of the boat. Many of the vessels going from this port are not registered, but sail under a coasting license.

Question. What I desire to know is whether there was any trouble at the custom-house in getting out the papers.

Answer. None, except the clerk told me he must have an order from the collector.

Question. No sending for Develin or anybody else ?

Answer. Mr. Develin went down there.

Question. With you ?

Answer. I think he did. Mr. Stetson went with me to take the oath of ownership. I had no trouble at all in getting the papers. General Wool gave me my pass to go into any port or ports between New York and Cape Henry. I think the pass stated my employment by the government.

Question. When did you get it ?

Answer. Previous to my leaving here.

Question. After you had been at the custom-house ?

Answer. I think it was. I believe it was the day I sailed, or the Saturday previous.

Question. Did you go after the pass in person ?

Answer. I went to General Wool myself.

Question. Had you any trouble in getting it ?

Answer. No, sir.

Question. Did you go anywhere else after it ?

Answer. No, sir ; he was the only person to whom I applied for such a paper. I went to the clerk in the custom-house, and he said I must get a pass from General Wool, as he was the commander of the east, as his pass stated at this port. We were then all loaded and ready for sea. Vessels going into the Chesapeake had to get passes from General Wool in order to get by the gunboat.

Examination by Mr. Holman.

Question. You took charge of this vessel from the time she was purchased by Mr. Freeman ?

Answer. Yes, sir ; I took charge on the day she was bought.

Question. State what kind of outlays the \$4,500 you have spoken of covered.

Answer. It was expended in a general outfit for the voyage, and some repairs.

Question. State whether any other expenses on the vessel were incurred except those after you came in charge of her.

Answer. I spent some five or six hundred dollars upon repairs to

her machinery and tackling, &c. All my drafts upon Freeman & Co. for everything were about \$4,500.

Question. The \$4,500 covered the expenses incurred in refitting the boat?

Answer. Yes, sir; refitting and repairing was about \$3,000.

Question. What was the outlay for actual repairs to the vessel?

Answer. My machine-shop bill alone was over \$500; all repairs and necessary equipage about \$3,000.

Question. What other repairs were there?

Answer. There was, in addition to that, the caulker's, the carpenter's, and the joiner's bills. The \$3,000 includes all bills of outfit on boat for repairs and tackle.

Question. In round numbers, as near as you can come at it, how much expense was incurred in that way?

Answer. The whole amount of outlay for which I drew upon Freeman & Co. (outfit on boat about \$3,000) was \$4,500; \$1,500 belonged to me to pay out of \$4,500.

Question. Yes, but that embraced the supplies which you laid in.

Answer. Most of it was for repairs, tackling, and outfit for the boat—say \$3,000 or thereabouts.

Question. Did not that sum embrace such articles as oil, wood, coal, and provisions?

Answer. They did constitute a portion of it; but this amount of \$4,500 was what actually went on to the boat, including my portion.

Question. What portion of it did they constitute?

Answer. I do not think my bills for those are not more than I have stated, or exceeded over \$1,600 at the time I left New York in April.

Question. Was not the boat in good condition at the time of her purchase?

Answer. So far as the hull was concerned, she was in good condition. I had to repair and caulk her decks, and do all necessary repairs before leaving for sea.

Question. After the purchase, can you state the exact amount you expended in fitting her for sea, independent of the supplies?

Answer. Tackle and outfit, exclusive of stores, \$3,000 or thereabouts, it may be a little more; you have the amount which was laid out upon the vessel. The bills were paid by Mr. Freeman. He has them now, and holds them as his vouchers.

Question. What other expenses were incurred in connexion with the vessel, except the ordinary expenses of running her, after you left this port?

Answer. There were some little repairs, but not to exceed \$500 up to the time she burned; there is always constant repairs on steamers, around a vessel while it is in service. I do not suppose the expense would amount to \$500 in the way of repairs for the whole time, or thereabouts, as there is a great many small articles on a steamer.

Question. When did you first ascertain that Develin was attorney for Freeman & Co.?

Answer. Before or about the time of the purchase of the vessel he was introduced to me as such; all the business was submitted to him.

Question. Who introduced him?

Answer. I think Mr. Morton did, as near as I can recollect.

Question. But Mr. Develin was the first person who spoke to you in reference to taking charge of the boat.

Answer. He was the one I made my arrangement with through Freeman, but was introduced to him previous to that.

Question. Did you make the arrangement with Develin through Freeman, or with Freeman through Develin?

Answer. With Develin I made the final arrangement. Freeman sent me up to see Develin to have the arrangement closed up.

Question. How long was that before the vessel was purchased?

Answer. It was after the purchase of the vessel.

Question. I am inquiring now in regard to the first intercourse you had with any of these parties about taking command of the vessel.

Answer. I think my first conversation was with Morton. He asked me if I would go upon the boat.

Question. How long was that before the boat was purchased?

Answer. It was about the 18th of the month, as near as I can recollect.

Question. Who is Morton?

Answer. He is a man I was working for last winter. I was attached to his boat at that time.

Question. What is his christian name?

Answer. Samuel W.

Question. What business is he in now?

Answer. He has charge of the propellor De Witt Clinton.

Question. Did he suggest that you should see Develin?

Answer. No. He asked me how I would like to go on the boat. I told him that would depend upon the pay, &c. The next parties with whom I conversed asked what I would charge. I replied that I was willing to leave the matter of the amount of my pay to Captain Comstock.

Question. Who were these parties?

Answer. Develin.

Question. How long was this before the purchase?

Answer. I think it was about the 20th of April. This was after Morton had spoken to me about the matter. Comstock determined what my wages should be, and asked me if I was satisfied. I told him I was.

Question. Where did you see Captain Comstock?

Answer. At the Astor House.

Question. Was Stetson present at the time you submitted the question to Captain Comstock?

Answer. No, sir; there was no one present, except Develin, according to my recollection. I told the parties I was willing to leave it to Capt. Comstock, and whatever he said, I would do.

Question. Do you live in the city?

Answer. I live in Williamsburg.

Question. What money was actually expended on repair of the vessel during her service in the United States?

Answer. Repairs on the boat would not exceed five dollars per day after leaving New York, as near as I can judge.

J. O. PHILLIPS.

NEW YORK, *August 29, 1861.*

DANIEL D. TOMPKINS was sworn and examined, as follows:

Examination by Mr. Washburne.

Question. Please state to the committee your official position.

Answer. I am assistant quartermaster general of the United States, and stationed in New York.

Question. Please state your connexion with, and your knowledge of all the circumstances connected with the charter of the steamer Cataline.

Answer. On the 23d of April last I received a note from General Wool to charter from Comstock two light draught steamers.

Question. Have you the letter with you?

Answer. I have. It is as follows:

“ST. NICHOLAS HOTEL,
“*New York City, April 23, 1861.*

“SIR: You will make a contract with Captain Comstock for chartering two light draught steamers to ply between Havre de Grace and Annapolis. I desire those steamers to be got ready with the least possible delay. If you can, without delaying these steamers, put as many provisions on board for the use of the troops in the south as will not impede their progress.

“Very respectfully, your obedient servant,

“JOHN E. WOOL, *Major General.*

“Major Grinnell will receipt for the provisions.

“Colonel D. D. TOMPKINS,

“*Assistant Quartermaster General, N. Y.*”

Captain Comstock came to me and presented to me the Kill Von Kull and the Cataline. The first proposition that was made made the government responsible for her loss under all circumstances. That I declined doing. I told Captain Comstock I would not entertain the proposition. Then he came in with a second one, which I did accept. This was soon after the riot at Baltimore, and we were very busy here night and day. I had no time to look into the matter personally. I had confidence in Captain Comstock, and I told him I should depend upon him to say whether it was all right in regard to the value of the boat, &c. He said, “Colonel Tompkins, it is all right.” Here is a copy of the contract:

“NEW YORK, *April* 25, 1861.

“DEAR SIR: I will charter the steamer Cataline to the United States government for a term not less than three months, at ten thousand dollars per month, payable monthly. The boat will be run at owners' expense, and be purchasable at any time during said three months for \$50,000 by the government. All risks usually covered by marine and fire policies to be borne by the owners, all other risks by the government; and in case of loss by any of the latter risks, fifty thousand dollars to be paid for the boat, and all injuries in proportion.

“Yours, truly,

“M. M. FREEMAN.

“Captain Jos. S. TOMPKINS.”

Upon that offer I indorsed the following acceptance:

“The within proposition is accepted, time to commence at 12 o'clock m. on the 25th day of April instant, and to terminate at the same hour on the day she may be returned to the owners in New York, with the understanding that all time lost by damage to the boat by the elements, bursting of boilers, breaking of machinery, or collision at sea or in port, to be deducted. It being understood that the boat is to be kept in perfect running order all the time she is in service of the government. Payment for services to be made upon the certificate of an officer of the army, or the affidavit of the master of the steamer, which must be explicit as to the fact of her having been kept in perfect running order.

“D. D. TOMPKINS,

“*Assistant Quartermaster General.*”

Question. Is that all the connexion you had with the boat?

Answer. That is all, except that I have paid for one month's service upon the certificate of the quartermaster that she had performed the services specified in the contract.

Question. When did you pay that?

Answer. I cannot tell. It was after the expiration of the month, and before her loss. They came to me with the affidavit of the captain; but knowing there was a quartermaster there, I refused to pay until he gave a certificate in regard to her services. They obtained his certificate, and I paid for the month's services.

Question. Did you know anything about the value of the boat?

Answer. No, sir; I relied entirely upon Captain Comstock.

Question. Can you state the object of the provision, “purchasable at any time during said three months for \$50,000?”

Answer. That was put in, but at that time I did not think that the government would purchase. I did not think the policy of the government was to purchase.

Question. What was the object of the clause, “in case of loss by any of the latter risks, \$50,000 to be paid for the boat?”

Answer. The “latter risks” are what are called war risks—capture and destruction by the enemy. I asked Captain Comstock if the boat was worth \$50,000. He said she was. He said, “Colonel Tomp-

kins, it is all right." I told him I had not time to examine the matter. I told him I relied upon him as to her value, as General Wool directed me to take two boats from him. I knew he had been a steamboat captain of long standing, and I relied exclusively upon him.

Question. Was any specific reference made to this \$50,000, or did he make the general statement that it was all right?

Answer. We spoke about the \$50,000. I said, "Captain Comstock, is she worth that?" He replied, "Yes, she is; and it is all right."

Question. Do you know of any trouble in reference to her clearance?

Answer. I do not. I heard there was, but I have no knowledge of the facts. I merely took up the boat and loaded her.

Question. That is all the knowledge you have in relation to the transaction.

Answer. It is.

Question. (By Mr. Holman.) Did you examine the boat?

Answer. No, sir; I never saw the boat in my life.

Question. (By Mr. Dawes.) Did you hire the other boat?

Answer. I did; the Kill Von Kull.

Question. In the same way?

Answer. Yes, sir.

Question. And upon the same terms?

Answer. No, sir; she was a much larger boat than the Cataline. She was chartered for the purpose of taking trucks from Perryville to Dnnapolis. She is a very large ferry-boat, and will carry 2,000 men.

Question. What was she built for?

Answer. For a ferry-boat between New York and Elizabethport. She was hired for \$1,000 a day, and at the expiration of ten days she was discharged.

Question. Was she chartered for the specific time of ten days?

Answer. For ten days, and longer, if the government desired her.

Question. (By Mr. Holman.) The subject was not again referred to General Wool after this reference to you?

Answer. It was not. The fact was, I did not care about taking up the boats, and regretted that General Wool ordered me to do so.

Question. By whom was this proposition submitted to you?

Answer. By Captain Comstock.

Question. How long before the 25th of April?

Answer. I think it was that day.

Question. Was that the proposition which proposed that if the vessel was lost, by any means not covered by the insurance, the government should pay for her.

Answer. It was, and I told him I would not entertain it.

Question. Captain Comstock submitted to you both the propositions?

Answer. He did; and I accepted the second one with the conditions attached, which appear indorsed thereon.

Question. (By Mr. Steele.) What other vessels did you take up about that time?

Answer. I think at about that time I took up three or four vessels to send troops around by water to Washington; I do not recollect the names of them.

Question. Do you recollect of whom you hired them?

Answer. I hired of S. L. Mitchell & Son, M. O. Roberts, Spofford, Tileston & Co., and from H. B. Cromwell & Co.

Question. These vessels were all chartered at a certain compensation per day?

Answer. They were. We first began at \$1,000 a day, and gradually the rate came down to \$900, \$800, and \$600. As soon as they began to ease off, and the emergency was not so great, the government availed itself of the lower prices which prevailed.

Question. And then there was more competition subsequently?

Answer. Yes, sir; when the trouble first broke out there was hardly a steamer in New York to be had; but soon all their lines were broken up, and there was considerable competition.

Question. Did you see the Kill Von Kull?

Answer. I did not then; I have seen her.

Question. What is your estimate of her worth?

Answer. I have not the least idea. In chartering vessels I usually ascertained from others their probable worth. When relief was sent out to Fort Pickens we hired the Illinois at \$2,000 a day. Since that she has been taken up and sent out at \$1,500. I took up and sent out the Cahawba for \$600 a day, because in the Havana line there was no freight or passengers; and, of course, the vessels were in the market for service.

Question. (By Mr. Holman.) General Wool's letter makes no suggestion as to time; one of these vessels was employed by the day for a short time, and the other for three months; was it upon the suggestion of Captain Comstock that you fixed upon the time?

Answer. In reference to the Cataline, she was a more convenient boat for the purpose for which she was chartered than the Kill Von Kull, and I thought she would be conveniently used. When the Kill Von Kull had performed her duty of taking the trucks down to Annapolis she was discharged.

Question. Had you any conversation or correspondence with Captain Comstock prior to the time of his submitting his proposition?

Answer. I had not.

Question. General Wool's letter and Captain Comstock's proposition came about the same time?

Answer. Yes, sir; the letter was dated the 23d, and the proposition of Mr. Comstock was accepted on the 25th.

Question. Up to the time he submitted the first proposition to you you had no communication with him upon the subject?

Answer. None whatever; I did not know what vessels he was going to name; the matter was left very much with Captain Comstock, and the boat was loaded by the Union Defence Committee or somebody else. The captain had not consulted with me as to the propriety of employing this particular vessel before he submitted the proposition to me.

Colonel D. D. TOMPKINS,
Assistant Quartermaster General, U. S. A.

NEW YORK, *August 29, 1861.*

JOHN E. DEVELIN was sworn and examined, as follows:

Examination by Mr. Holman.

Question. State your profession and place of residence.

Answer. I am a lawyer by profession, and reside in this city. I am one of the proprietors of the Astor House, in addition to my business as a lawyer. I am the "Co." of the firm of Stetson & Co.

Question. In your profession as an attorney, has your employment led you into business connected with the shipping of this port?

Answer. More or less. There are merchants and others engaged about ships and shipping who are clients of mine.

Question. State when you first became aware of the fact that the steamboat Cataline was being offered for sale?

Answer. Somewhere about the middle of April.

Question. When did you take any step yourself, on your own behalf, or on behalf of any other person, for the purchase of that vessel?

Answer. About the middle of April or a little later.

Question. State whether the incipient steps towards the purchase were set on foot on behalf of yourself, or at the instance of some other person.

Answer. I cannot speak positively about it; but, so far as I can recollect, Mr. Morton told me the Cataline was for sale, could be purchased cheap, and suggested that I should purchase her. I am not certain whether it was Mr. Morton, but I think it was. He said he thought the government wanted to charter a steamer of light draught, and of the capacity of the Cataline, and he thought probably she could be chartered to the government. I then made inquiries in regard to her, and found that she could be bought for \$18,000.

Question. What business was Morton engaged in at that time?

Answer. I think he was editing a paper in Brooklyn, and besides that, I think he had an interest in some propellers.

Question. What was the name of the paper?

Answer. I do not remember.

Question. Had he any connexion with the government at that time?

Answer. Not that I am aware of.

Question. With whom did you commence conferring in reference to that purchase?

Answer. After Morton had spoken to me upon the subject I was called upon by Mr. Corlies, I think it was, whom I had known by reputation a good many years. I asked him about the boat. I also inquired of Captain Comstock about her value. I knew the boat myself also, as I had been upon her down to Greenport when she was upon that route. I became satisfied that she was a cheap boat at \$18,000.

Question. Where did Corlies first call upon you?

Answer. I think it was at the Astor House.

Question. Did you see Captain Comstock in relation to the vessel before or after your conversation with Corlies?

Answer. I cannot be certain, but I think it was after.

Question. Where did you have your first interview with Captain Comstock?

Answer. All my interviews with Captain Comstock were at the Ostor House. He was in the habit of coming there every morning. He and I have been well acquainted for a number of years. I was living at the Astor House, and usually about the time I got through my breakfast Captain Comstock would reach the house.

Question. Did you approach him upon the subject?

Answer. I did.

Question. What was the information you received from him in the first instance?

Answer. The only information I received from him at all was that she was cheap at \$18,000.

Question. Did you tell him you purposed purchasing her for any particular purpose?

Answer. I do not think I did.

Question. Was any purpose of your purchase suggested at the time you had your first interview with him?

Answer. The purpose was not mentioned I think, but I cannot be positive.

Question. Did the captain know you as a person engaged in the purchase of vessels?

Answer. No, sir, for I never was so engaged, except in this instance, and in the purchase of a yacht.

Question. The purpose was not mentioned on the first interview?

Answer. No, sir.

Question. How long was that after your first interview with Morton?

Answer. The next day.

Question. Had you any further interview with Captain Comstock before you commenced negotiating for the purchase of the vessel?

Answer. No, sir, not in regard to the vessel.

Question. And the subject of the purchase was not referred to afterwards?

Answer. I think not.

Question. Now state when, after your interviews with Morton and Corlies, you took the next step which resulted in the purchase of the vessel.

Answer. I saw Corlies again, I think, and in the meantime I had made up my mind that I would buy the vessel.

Question. State in this connexion the purpose for which you had determined to purchase her.

Answer. The main motive of the purchase was, that the government needed such a vessel in the Chesapeake bay; that information I received, I think, from Morton.

Question. In your interview with Captain Comstock was anything said about the needs of the government in that respect?

Answer. No, sir.

Question. Detail, then, the circumstances which led to the purchase.

Answer. The principal motive, as I said before, was the one I have mentioned; that the government needed such a boat as she was, and it was not easy to get another such one. An additional motive was that I considered the boat so cheap.

Question. Detail the subsequent steps of the purchase.

Answer. Corlies was in a great hurry to have the sale completed. Of course it could not be expected that a lawyer would have \$18,000 in cash in bank at that time, and therefore I had to raise the money. I made one arrangement, but it did not satisfy me.

Question. What arrangement?

Answer. It was an arrangement with the Broadway Bank, by which they offered to discount Stetson & Co.'s paper for that amount for thirty, sixty, and ninety days; but I did not like the time, and I declined the offer; and, furthermore, I did not want to implicate the firm of Stetson & Co. in the transaction; that is, I did not wish that they should be engaged in any transactions except those which legitimately and strictly belonged to the keeping of a hotel.

Question. Do you remember the day upon which you made the application to the bank?

Answer. I do not.

Question. How many days was this after your first interview with Morton?

Answer. I think it was two days subsequent. Then I went to Mr. Freeman and told him this boat was for sale; that I had made up my mind to purchase her; that I understood the government needed such a boat, and that probably she could be chartered to the government; and I offered him one-tenth, I think it was, if he would advance the money. I first spoke of letting him have her entirely, but afterwards I concluded to offer him one-tenth interest on the profits made out of her. He is a friend of mine in business. He gave me the money. I told my brother-in-law, Charles A. Stetson, jr., as soon as I made up my mind that the boat ought to be bought, to go and buy her, and I would furnish the money to pay for her. Mr. Stetson is my partner in keeping the Astor House, and is also my brother-in-law. He went and purchased the boat, and I gave him two checks to pay for her. He completed the trade, and then he went to the custom-house to see that her papers were all right. I had nothing more to do with the purchase after that, except, I think, the papers were drawn at my office, but not by me.

Question. Was it understood between yourself and Freeman for what purpose the vessel was purchased?

Answer. I said a moment ago that I told him I believed the government needed such a vessel down in the Chesapeake; that it probably could be chartered to the government, and that I thought the vessel cheap.

Question. Any further conversation between you and Freeman as to the probability of the government chartering the vessel?

Answer. None; I understood the government needed the vessel, and it was my opinion it would be chartered.

Question. Did Freeman & Co. advance the money?

Answer. Yes, sir.

Question. And what was the nature of the securities you were to place in the hands of Freeman & Co., if any?

Answer. There was no arrangement made about that, although I took it as a matter of course, in completing the arrangement, that the charter party, if one should be made, should be in their name; that the boat would be placed in their hands to deal with; that the insurance should be effected on the boat, and the loss, if any, made payable to them. Yet there was no arrangement. Mr. Freeman and myself are intimate friends, and without talking about it, I, as a lawyer and friend, intended that he should be secured so far as security could be given to him.

Question. What was the object in taking the boat in the name of a third party?

Answer. I intended the boat for my brother, Charles A. Stetson, jr., and that he should have the benefit of the purchase, as it made no difference with me, and I advanced him the money to buy her for himself and on his own account.

Question. What conversation had you, after the purchase of the boat, with Stetson as to the probability of the government chartering her?

Answer. None.

Question. The purpose, then, for which the purchase had been made had not been disclosed to him up to the time of your interview with Freeman?

Answer. I do not think it had. I might or I might not have disclosed it. We were and are very intimate, as much so as if we had been actually brothers born, and all I have is his if he wants it, and I think he reciprocates this sentiment towards me.

Question. Was he aware that the title was to be taken in his name?

Answer. Yes, sir; for I told him to buy the boat and have her transferred to himself. He bought the boat, and did such things at the custom-house as were necessary to vest the title in him. I do not know the details of that matter.

Question. But he was not aware of the particular purpose you had in view in making the purchase?

Answer. Not that I know of positively, but he may have known.

Question. Although the title was to be taken in his name, was it the understanding that it was to be a joint affair between you?

Answer. There was no understanding about it; and I can only explain what may seem strange about this by the fact of the community of interest in most matters which exists between him and me and the mutual confidence between us.

Question. Had he been engaged previously in the purchase of vessels?

Answer. Not that I know of.

Question. Had he ever purchased a vessel before?

Answer. Not that I know of.

Question. Have you been engaged in that business?

Answer. No, sir ; no further than I have stated.

Question. This is the first vessel you ever purchased for general purposes ?

Answer. Yes, sir.

Question. Did you examine this vessel before you purchased her ?

Answer. No, sir ; I relied entirely upon the representations of Captain Comstock and the representations of Mr. Corlies, whom I knew to be a veracious and reliable man. He was acting as agent of the owner, and was not the owner himself.

Question. Did you have any conversation with Captain Comstock as to the character of the vessel which the government would like to charter ?

Answer. No, sir.

Question. From whom, then, did you derive any information as to the kind of vessel that the government would want in their emergency ?

Answer. I think it was from Mr. Morton ; and if not him, then from somebody who would be likely to have information upon the subject. I do not think it was Captain Comstock. It may have been Captain Phillips.

Question. In this negotiation, when did you first fall in with Captain Phillips ?

Answer. I think it was the same day that Mr. Corlies came to see me ?

Question. What information did you derive from Captain Phillips as to the purpose of the government in chartering a vessel ?

Answer. If Morton did not tell me what I have stated, I think Captain Phillips did.

Question. Did you have either one of these three persons, Morton, Captain Comstock, or Captain Phillips, make an examination of the vessel before you purchased her ?

Answer. I cannot say in strictness that I had any examination made of her, but I understood, by the way that Captain Comstock spoke, that he knew all about her. He knowing that I thought of purchasing her, I had told him of my idea in the meantime, (I do not mean to say that I went through the formal course of reasoning at the time, but undoubtedly these ideas were in my mind and were the reason of my action,) and being friendly to me I knew he would not give me any information about her unless he was so familiar with the matter as to make his information reliable.

Question. Did you mention to Captain Comstock the conversation you had had with either Morton or Captain Phillips ?

Answer. I do not think I did.

Question. Was any other person in negotiation with Corlies for the purchase of this vessel about the same time ?

Answer. Not that I am aware of.

Question. What interest had Morton in this affair ?

Answer. I do not know that he had any interest. He had no interest in the boat itself, or in the purchase.

Question. Had he any interest at all in any of the profits growing out of the purchase ?

Answer. None whatever.

Question. Had he any interest jointly with Captain Phillips?

Answer. I do not know; not to my knowledge, though I have my suspicions that he had.

Question. Had he a conditional contract for the purchase of the vessel at the time Mr. Stetson made the purchase?

Answer. Not that I know of, or ever heard of.

Question. Who had the refusal of that vessel about the same time you entered upon the negotiation for her purchase?

Answer. I do not know. I never heard that any one had.

Question. Did Corlies tell you that anybody else was negotiating for the purchase?

Answer. No, sir.

Question. How long was it after the purchase before any disposition was made of her, by charter or otherwise? and state, in that connexion, on what day she was purchased.

Answer. I cannot tell the day; that will appear by the bill of sale.

Question. How many days was it after the first interview of Captain Comstock that the vessel was purchased?

Answer. I cannot tell. I do not know whether it was the same day, the next day, or the next day but one. It was within three days that the vessel was actually purchased and paid for.

Question. What arrangement, before the purchase, had you with Captain Phillips?

Answer. I had no arrangement with him before the purchase.

Question. What arrangement had you with him before the payment of the purchase money?

Answer. None.

Question. What understanding had you with Freeman or Phillips, before the purchase money was finally paid, that the vessel was to be chartered to the government?

Answer. None beyond what I have stated.

Question. Was the purchase money all paid at the same time?

Answer. I think it was paid on two different days; I think I gave a check of \$8,000 one day and one of \$10,000 the next, or *vice versa*.

Question. Before the last of the checks was delivered, what arrangement had you with Captain Phillips or with Mr. Morton as to their connexion with the vessel under the charter to the government?

Answer. I never had any arrangement with Morton after the purchase or previous to the purchase; and I never had any arrangement with Phillips in relation to the charter to the government. Immediately upon the purchase of the boat I engaged Phillips as a captain of her without any arrangement as to compensation; but subsequently to the charter I agreed to pay him \$3,100 a month, he to furnish and run the boat for that.

Question. How long was that after the purchase was made?

Answer. Somewhere within two or three days.

Question. You employed him as captain in the first place, immediately upon the purchase of the boat?

Answer. Yes, sir.

Question. What salary did you propose to pay him?

Answer. I did not make any arrangement as to amount.

Question. When did you make an arrangement to pay him \$300 a month for his services, or some arrangement of that character?

Answer. I never made any arrangement with Captain Phillips for \$300 a month as a separate item; but as making up the expense of running the boat the captain's wages was put at \$300 a month, and the total of the items including the \$300 was \$3,100.

Question. But no separate arrangement for \$300 was entered into?

Answer. Not that I recollect.

Question. If there was any such understanding with him, could it have been made before you actually made the purchase?

Answer. It was not made before the purchase was made.

Question. Did you, or any other person for you, inform Captain Phillips of the purpose for which the purchase was made?

Answer. I did not.

Question. Had he any information upon the subject from other sources?

Answer. I do not know what sources of information he had.

Question. Had any other person advised him upon the subject?

Answer. I cannot tell.

Question. If Phillips knew before the payment of the last part of the purchase money that you had purchased this vessel to be chartered to the government, he did not derive that information from you?

Answer. I do not think he did.

Question. Do you remember the day upon which you entered into the contract with Captain Phillips to run this vessel for \$3,100 a month?

Answer. No, sir.

Question. At that time had you chartered the vessel to the government?

Answer. I think I had; I am quite sure of it.

Question. If she was chartered to the government of course you knew it?

Answer. I will not say that, because Mr. Freeman took charge of that portion of the business; I do not know whether he reported to me immediately that she had or had not been chartered to the government, but I am quite positive that I would not have made such a bargain as that with Captain Phillips unless I knew that she had been chartered.

Question. Was it any part of the arrangement between yourself and Freeman, or between yourself and the firm of Freeman & Co., that the vessel should be chartered to the government?

Answer. No, sir.

Question. What steps, if any, did he agree to take for the purpose of accomplishing that object?

Answer. He did not agree to take any steps.

Question. If you did not superintend the whole of this business, will you tell the committee who took the first incipient steps towards the chartering of that vessel?

Answer. I think that Mr. Freeman and I took the first steps towards chartering the vessel; I think, as well as I can recollect, that I drew the offer after the purchase of the boat for her charter, and that Mr.

Freeman signed that offer ; I subsequently, but how soon after I cannot say, saw that offer, with the indorsement upon it of acceptance signed by Assistant Quartermaster Tompkins, but containing many provisions which were not in the original offer.

Question. Was that the first proposition that was drawn up?

Answer. That is the only proposition that I have any knowledge of.

Question. How long after the purchase of the vessel was it before this proposition was submitted?

Answer. It was either the next day or the day after.

Question. In the meantime with whom did you confer in reference to chartering this vessel to the government?

Answer. Nobody.

Question. What conversation did you have with Captain Comstock?

Answer. None.

Question. To whom was the proposition submitted which you drew up, and which subsequently had an indorsement upon it?

Answer. That is more than I know.

Question. To whom was it intended to be submitted?

Answer. That is more than I know.

Question. At the time that proposition was drawn up, did Mr. Freeman say what arrangement he had made, if any, for chartering the vessel?

Answer. No, sir.

Question. What did he tell you of his intercourse with Captain Comstock upon that subject?

Answer. Nothing.

Question. Had he up to that time had any interview with Captain Comstock upon that subject?

Answer. I do not know.

Question. If he had had such an interview would you not likely have known it?

Answer. I might, and I might not.

Question. Were not you, as much as Freeman, managing that vessel?

Answer. No, sir ; I did nothing except drawing up that offer.

Question. Did you not mention to Captain Comstock the fact that you had purchased that vessel before the proposition was drawn up?

Answer. Very likely.

Question. Relate the conversation you had with him before that instrument was drawn up.

Answer. I had none except such as I have detailed in regard to the boat. So far as this matter in hand is concerned, I do not think I had any communication with him after I asked of him the value of the vessel, except to tell him I had purchased her, until the time this proposition was made.

Question. Did you say that on the same day this proposition was drawn up for chartering the vessel to the government it was accepted with the indorsement you have referred to?

Answer. I do not know whether it was accepted the same day ; it was subsequent to that that I saw the paper.

Question. You do not know to whom that was intended to be submitted?

Answer. I do not, but I supposed it was to be submitted to the officer who had the right to charter vessels on behalf of the government, but who he was I did not and do not know.

Question. Did you know that Captain Comstock was authorized either to purchase or hire vessels for the government?

Answer. I was not aware that he was.

Question. Did Mr. Freeman say to you that such was the fact?

Answer. No, sir; I knew Captain Comstock better than Mr. Freeman did, and it is not likely he would mention it to Mr. Freeman and not to me.

Question. If Captain Comstock had been authorized to hire vessels for the government, you would have been more likely than Mr. Freeman to have known it?

Answer. Quite as likely. I was aware of the fact that Captain Comstock was around looking where boats were in the harbor—large boats that would be fit for the transportation of troops; and I once saw him exhibiting to some person a list of different boats in New York, and their capacity for carrying troops; and from that, and from the fact that some of these boats subsequently took out troops, I drew the general conclusion that he was some way or other, at least, giving information to the government officers and patriotic citizens who were active in forwarding troops where they could get such vessels as they might desire; but that he had any right to engage vessels for the government, or had any authority whatever from the government to make arrangements for vessels, I did not know.

Question. For what purpose did Captain Comstock submit this list of vessels?

Answer. It was at the time of the general anxiety about the safety of Washington, when all were desirous of forwarding troops as rapidly as possible, and it became a subject of inquiry about the Astor House what our means were for forwarding troops for the protection of the capital. One morning at the Astor I was telling about a regiment that had been sent off, of which a brother-in-law of mine was an officer, and complained that it had not been properly taken care of; spoke of the ship as being packed too closely, saying that the regiment was not well fed, and denounced the whole proceeding as unfair to these patriotic volunteers. Some one then remarked that there was no necessity for such a close packing of troops, because there were a plenty of vessels which could be chartered, and Captain Comstock took out a list and showed a number of boats open for charter. At the same time there was a conversation about the Massachusetts and Rhode Island troops.

Question. Was any person present at that time?

Answer. I think a good many persons were present. I do not know whether it was at this interview or not, but I was continually meeting Messrs. Grinnell, Roberts, Weed, &c., at the House.

Question. Was the Cataline named in this list?

Answer. No, sir; those were large steamers.

Question. Was it in the same connexion that you made inquiries as to the value of this particular vessel?

Answer. No, sir. That was a particular inquiry.

Question. Was that inquiry made after the captain had shown the list?

Answer. I cannot tell whether it was before or after.

Question. It was after you were aware, in some way, that Captain Comstock was in some way looking after vessels that might be used by the government, that this inquiry was made by you as to the value of that vessel?

Answer. I cannot say whether it was before or after.

Question. You say you made a contract with Captain Phillips. How long was it made before you drew up this proposition which was submitted, as you supposed, to some officer of the government?

Answer. I do not recollect about it at all; it could not have been before the proposition. I am only reasoning upon the subject. I reason that I would not have made that contract with Captain Phillips until after the vessel had been chartered, because it would have been a silly thing to pay \$3,100 for running a vessel when she had no engagement. I am certain I would not have made any such contract under such circumstances.

Question. I understand, then, as the conclusion of your testimony upon this point, that you yourself had not, either before or after the purchase of this vessel, any understanding with Captain Comstock, as to her being chartered by the government, either on your own account, or an attorney for any other person or persons?

Answer. I had not. I wish excepted from this answer the written proposition I made to Captain Comstock, which was accepted by Colonel Tompkins, as that might be considered as an arrangement. With that exception, I had not.

Question. Did you authorize any other person to approach Captain Comstock with the view to an arrangement, either before or after, with the exception of this written proposition?

Answer. No, sir.

Question. Be a little more definite as to the purpose of purchasing this vessel. Would you have purchased her except in anticipation of chartering her to the government?

Answer. It is impossible for me to say what I would or would not have done under circumstances and anticipations different from those which existed. I can only give you my present idea, which is, if I had not thought the government needed such a boat, and consequently that she would be chartered by the government, I should not have told my brother to buy her, she was cheap; but I cannot say that on this account alone I would have advised the purchase.

Question. Did you draw up a proposition and authorize its submission to the quartermaster in this city, or to any other person, proposing to charter this vessel to the government, the government to be responsible for her loss, in any event, and for any cause?

Answer. No, sir.

Question. Did Mr. Freeman submit any such proposition as that?

Answer. Not to my knowledge or information.

Question. Would he likely have submitted any proposition without conferring with you upon the subject?

Answer. I do not think he would.

Question. Was any other person authorized to submit any such proposition?

Answer. Not by me, or by anybody that I know of.

Question. Did you meet Captain Comstock at Freeman's office or at your own office during the time the negotiation was pending for the purchase of the vessel?

Answer. I do not think I ever saw Captain Comstock either at Freeman's office or mine.

Question. Did Freeman tell you that he had had an interview with Captain Comstock prior to the purchase of the vessel?

Answer. No, sir.

Question. Did Morton or Phillips refer to Captain Comstock, in your conversation with them, as being engaged in purchasing vessels for the government?

Answer. I have answered that I was not aware, except by surmise from this list I was shown, that he was in any way engaged in procuring vessels for the government.

Question. You were acting as attorney, at least, for Freeman & Co., in connexion with this whole business?

Answer. I do not know as I can say that. So far as the drawing of this paper was concerned, it was a half legal paper, and I suppose I might be considered as acting as attorney as to that matter.

Question. Did Morton introduce you to Freeman as acting as attorney for him before or at the time or immediately after the purchase of this vessel?

Answer. I do not know whether he did or not. I certainly never was attorney for Morton in anything.

Question. Did Morton and Captain Phillips come together to you at all at any time?

Answer. I do not think they did; I do not recollect of their having done so. Very frequently, during the daytime or in the evening, when I would come into the Astor House I would see in the rotunda Phillips and Morton and half a dozen other gentlemen standing there, and they might have been together with me, and they might not; I cannot tell.

Question. Why was it necessary, if such is the fact, that Captain Phillips should submit to you the account of the expenses incurred on account of this vessel before her loss?

Answer. I do not think he submitted them to me. I saw them, but whether he submitted them to me or to Mr. Freeman I do not know.

Question. If he was to run the vessel for the specific sum of \$3,100, what was the necessity of submitting the account at all?

Answer. A great deal had to be done upon the vessel after she was bought. Captain Phillips submitted the bills for payment. He did not submit them personally, I think; but I think they were brought in to Messrs. Freeman & Co. by the parties who supplied the different articles.

Question. At the time this vessel was purchased had any persons,

except yourself, your brother-in-law, Mr. Stetson, and Mr. Freeman, any interest whatever in the purchase of this vessel?

Answer. No, sir; none whatever. And I do not consider that I had or have any legal interest in it; and Messrs. Freeman & Co.'s interest is only one-tenth of the profits.

Question. Had any other person at that time any interest, directly or indirectly, in the profits arising from the purchase?

Answer. No, sir.

Question. Had any other person any interest in that vessel at the time she was lost, or at any intermediate period between that time and the time when she was purchased?

Answer. No, sir, except the interest Captain Phillips had of \$3,100 a month.

Question. Did the instrument you drew up to be submitted bear its true date?

Answer. I presume it did. I have no recollection of its being post or ante dated.

Question. Look at this contract accepted by Colonel Tompkins, (handing a paper to the witness. The witness examined the paper.)

Question. State whether that is the only proposition you ever drew up with reference to the chartering of that vessel to the government, or to anybody else?

Answer. According to my recollection that is a true copy of the proposition I drew up. It is not the original. That is a copy of the only proposition I drew up. The one in my own handwriting, on which is indorsed the acceptance of Colonel Tompkins, is the only proposition that was ever made to anybody, so far as I am aware, or that I ever heard of being made, or knew of being made, to anybody, and I think this is a copy of that proposition, and it bears the true date, as far as I recollect.

Question. Has any portion of this money been refunded to Mr. Freeman?

Answer. Mr. Freeman has received the first month's charter money, but beyond that I do not know of any.

Question. At the time of the loss of the vessel, in whose name did she stand?

Answer. In the name of Charles A. Stetson, jr.

Question. Was it in anywise encumbered by any transfer, or by any portion of this \$18,000?

Answer. No, sir; not to my knowledge.

Question. Freeman & Co. then had no security whatever for the payment of this debt?

Answer. Yes, they had. They had, in addition to the insurance being taken out in the name of Freeman & Co., and the charter party to the government, Charles A. Stetson jr.'s note for \$18,000, and had my name and the names of three other gentlemen who had on former occasions loaned us their names or money, as the request might be, and whom I got to put their names on the paper necessary to raise the amount of the purchase money.

Question. Were Freeman & Co. to have any other security for the payment of the debt?

Answer. They were to receive this money under the charter, and also they were to receive from the insurance companies the insurance money if the vessel was lost. The loss was, according to the face of the policy, payable to Freeman & Co.

Question. State in what relations, business or otherwise, you stood to Mr. Freeman prior to making this purchase?

Answer. Mr. Freeman and I became acquainted in 1857. He was a director in the Mechanics' Bank Association. That institution had some difficulty, and a client of mine was appointed receiver of the bank, and I transacted the business for the receiver—the legal portion of it. Mr. Freeman was a very active director, and the business threw him and me together a great deal, and from that time up to the present there grew up and exists an intimate friendship between us. Our families also are intimate. I have had no business relations other than that of the bank with him, except one or two small matters for himself personally, but none for this firm except that of this vessel.

Question. State what the difficulty was about the clearance of this vessel, or, rather, obtaining an enrolment and license.

Answer. There was no difficulty in that regard. There was a national vessel stationed down at Sandy Hook, which did not permit any vessel to go outside unless she had a pass from General Wool. There was some paper necessary, and after she was ready to sail I understood there was some difficulty about getting that paper. Charles A. Stetson, jr., the owner, had been two or three times down to the custom-house to attend to it, and had been sent by Mr. Barney, the collector, to some member of the Defence Committee. He went to that party and got a note from him, as I understood, and then Barney wanted some other person's certificate. Barney seemed to think we were about to engage in some operation against the government. The difficulty, I understood, was that the steamer had not passed through the Defence Committee, which undertook to monopolize all the business and carry on the general government here. Representations were made to Barney, as I was informed, that she was being fitted out to take provisions south, or to take to Annapolis to sell to soldiers at an immense profit, thus taking advantage of their necessities. Afterwards I went to see Barney myself. He wanted to be sure that the matter was all right. I found out in the end that it was only necessary to get a certificate from General Wool.

Question. Then the difficulty did not at all grow out of the manner in which the vessel was chartered?

Answer. Not as I understand it. The difficulty, I understood, arose from the representations, or rather misrepresentations, of Mr. Marshall, or some other person, a member of the Defence Committee.

Question. Was General Wool then in this city?

Answer. I did not see him, but I understand he was. Barney knows all about the difficulty and the authors of it.

Question. I believe you have said that you neither understood through Captain Comstock himself, or any person connected with him, or any person connected with General Wool, that Captain Comstock was authorized to purchase this or any other vessel for the government?

Answer. I have so stated, and if I have not I say so now.

Question. And that the only ground of your supposition that he was authorized to do so was the fact of his having that list, and the fact that some of those vessels were subsequently purchased and used by the government?

Answer. That is all.

Question. And that the only inquiry whatever you made of him was as to the value of the vessel?

Answer. That is all.

Question. And what was his statement as to her value?

Answer. I do not recollect exactly, but my impression is that he said the boat was very cheap at \$18,000. I have known Corlies very well for years, and he told me that \$9,000 had been laid out upon her within the last year or eighteen months, and I did not doubt that such was the fact.

Question. (By Mr. Steele.) Had you paid for the vessel before the charter?

Answer. Yes, sir, Stetson had, entirely. The vessel had been bought and it was the property of Stetson before any offer of or acceptance of the charter.

Question. (By Mr. Holman.) You have stated that nearly every day about the time these events were transpiring Captain Comstock was probably at the Astor House. State what business he was engaged in about that time.

Answer. He had been captain of the Adriatic, and I think he was the president or superintendent, or in some other way connected with the building of the two large boats which have been recently put on the sound to run between New York and Allen's Point—the "City of Boston" and the "City of New York." I think he was the president of the company.

Question. Were you aware of his being engaged in any other business than that at or about that time, before or after?

Answer. I think I was aware of his taking a great interest in forwarding troops. Whether it was a business interest, or a patriotic interest, or a mixture of both, I did not exactly know then, nor do I now. Captain Comstock was well known to all the eastern people, having been upon the sound for many years, and there were then Massachusetts and Rhode Island, and Maine troops being forwarded, and all naturally looked to him to assist therein.

Question. Were you aware at that time that General Wool was engaged in superintending the shipment of troops, &c., into the Chesapeake bay?

Answer. I was aware that General Wool was in town operating in connexion with this Defence Committee in forwarding troops. I was aware of it only from the papers, and I once went into the rooms of the Union Defence Committee to see about some money for the 69th regiment, and I was told that General Wool had certain hours when he met with that committee, but the hour when I went there was not within those hours, and I did not see him.

Question. What information had you of the relations, in the busi-

ness of the government, between General Wool and Captain Comstock about that time?

Answer. None, whatever.

JOHN E. DEVELIN.

NEW YORK, *August 29, 1861.*

CHARLES A. STETSON, jr., was sworn and examined as a witness, as follows :

Examination by Mr. Fenton.

Question. State your residence and place of business.

Answer. I reside at the Astor House, and that is my place of business.

Question. Have you had any connexion with the steamer Cataline?

Answer. Yes, sir.

Question. State to the committee what connexion you had with the purchasing the steamer Cataline, and the chartering her to the government.

Answer. About the 20th of April last my brother-in-law, John E. Develin, came to me and said that the steamer was to be bought, and wanted me to buy it, and he would furnish the money. I went down to the office where the owners were, and the ship was there made over to me in my name. I believe the bill of sale runs to my name alone.

Question. When did Develin first introduce this subject to you?

Answer. The evening before that, I believe, and I went down the next morning at 10 o'clock.

Question. What was the motive upon your part for the purchase? What interest were you to have in the steamer?

Answer. I left that matter to be determined altogether by my brother-in-law.

Question. What was the price paid?

Answer. \$18,000.

Question. By whom was the money furnished?

Answer. Develin gave me a check for \$10,000, which was paid to Corlies at Develin's office. We then went down to an office in Liberty street and closed the bargain, where Freeman furnished the balance of the money.

Question. Had you any interview with Freeman in relation to the purchase?

Answer. No, sir.

Question. Did you know at the time that Freeman advanced the money?

Answer. I did not know anything about it, except that I saw his check, and afterwards I knew that he had advanced the other money.

Question. Did you know at the time what security Freeman was to have?

Answer. I did not.

Question. Did you give your obligation to him?

Answer. I afterwards gave Freeman my note for \$18,000. After my duties were over that day I gave him the note. After that the whole business of the vessel was placed in the hands of M. M. Freeman, and he was to transact it.

Question. By whom was this note made?

Answer. It was made by myself, and was payable upon demand.

Question. Who received the note from you?

Answer. Mr. Freeman.

Question. Have you personally, or by other parties in your behalf, paid that note, or any part of it?

Answer. It has not been paid by me or by any other person, to my knowledge.

Question. How was the charter of the vessel to the government negotiated, and how long was that after the purchase to which you have referred?

Answer. I knew nothing more about her; I simply knew that she was chartered. Develin told me to go to the custom-house and get her cleared.

Question. Were you introduced to Corlies by Develin, or by any other party?

Answer. I was introduced to him in Develin's office.

Question. Had any other party been negotiating for this boat prior to Develin?

Answer. I do not know.

Question. Do you know a man by the name of Morton?

Answer. I knew no parties but Develin and Freeman, and Freeman I did not know until the next day.

Question. At that time or since have you had, or have you known of any understanding with other parties besides Freeman and Develin to divide the profits of this purchase, or to share in the losses?

Answer. No, sir.

Examination by Mr. Holman.

Question. Did you give your individual note of \$18,000 for this vessel, or was it indorsed or otherwise secured by other parties?

Answer. I think it was my own note.

Question. What information had you that Develin was proposing to purchase this vessel, either in your own name or that of any other party, prior to the time when he spoke to you?

Answer. None whatever. He came to me in the evening after we had left the office, and called me up to his room and spoke to me about it. I think that was about the 20th or the 21st of April. It was the night before the vessel was finally bought. The vessel was bought the next day and \$10,000 paid.

Question. And was it the next day that the boat was chartered by the government?

Answer. I think it was.

Question. What had you heard Develin say before that time about the government purchasing or chartering the vessel?

Answer. Nothing.

Question. What had you heard Captain Comstock say upon the subject?

Answer. Nothing until after the vessel was bought, and I think not until after it was chartered.

Question. What had you heard said prior to the time you were called into Develin's office, either by Develin or any other person, as to the government's intention to charter the vessel?

Answer. Nothing.

Question. Had you yourself had any conversation with Captain Comstock, or had any such conversation been repeated to you upon that subject?

Answer. No, sir.

Question. Was Captain Comstock frequently at the Astor House?

Answer. I think not. He did not receive any appointment until a short time after that, and then he came in frequently.

Question. What was the appointment?

Answer. I think general supervisor for the chartering of ships for the government. That was after I bought this boat.

Question. And before the vessel was purchased he was seldom there?

Answer. Very seldom; but afterwards very frequently.

Question. Had you from him, or from any other person, information that he was engaged in chartering or employing vessels for the government?

Answer. Not until some time after that.

Question. When did you have any conference with him as to the chartering of the vessel?

Answer. I had none; do not think I had any conversation with him.

Question. Was this the first vessel you ever purchased?

Answer. Yes, sir.

Question. Did Mr. Develin tell you that he had purchased the vessel, or did he propose that you should purchase it?

Answer. I was to buy the vessel myself.

Question. At the time he first spoke to you the vessel had not been purchased?

Answer. The money had not been paid.

Question. Tell the committee what motive Develin had, if you know, in purchasing the vessel in your own name instead of in his own, or in the name of Freeman.

Answer. He did not tell me his motive, and I do not know.

Question. For what purpose did he tell you he wanted to buy her?

Answer. That she was going to be chartered by the government; that was all.

Question. Did he tell you upon what terms she was going to be chartered?

Answer. No, sir.

Question. He simply told you that he wanted you to purchase the vessel, as she was to be chartered to the government?

Answer. That is all.

Question. And he did not tell you the terms?

Answer. No, sir.

Question. Was anything said as to the character of your interest or his interest?

Answer. No, sir.

Question. What agreement did you have with Freeman as to his interest in the vessel?

Answer. I never spoke to him at all about the subject.

Question. You never had any understanding with Freeman or Develin as to their and your respective interests in the vessel?

Answer. Never.

Question. What do you know of Mr. Morton, of whom mention has been made?

Answer. I have seen him in at the Astor House, and that is all.

Question. Did you ever converse with him about this purchase?

Answer. No, sir; I did not see him at all until six weeks or two months after the vessel had gone away. I never heard of his having any interest in the vessel, or in fitting it out, or in the engagement by which she was to run.

Question. When did you fall in with Captain Phillips?

Answer. He was at Develin's office the morning the vessel was paid for: that is, the morning the \$10,000 draft was paid.

Question. Did you leave him there when you went to make the first payment?

Answer. Yes, sir.

Question. What did you hear said between him and Develin as to the terms upon which he was to run the vessel?

Answer. They said nothing to me about the business of the boat.

Question. Did you hear any conversation between Develin and Captain Phillips on the subject of running the boat?

Answer. I did not hear anything said upon the subject until the night before the sale.

Question. When did you first know the nature of the contract between Develin and Phillips for the running of the vessel?

Answer. I do not now know what the contract is. Everything was left in the hands of Freeman.

Question. Freeman did not make the contract with Phillips, did he?

Answer. I have not the slightest idea whether he did or not.

Question. Then I understand you to say that up to the time that Develin spoke to you, which was the evening before the vessel was purchased, you had no knowledge of his intention to purchase this vessel; did not know that the vessel was for sale; did not know that Captain Comstock or anybody else was chartering vessels for the government for any purpose whatever; and that when Develin spoke to you about purchasing the vessel, the evening before she was purchased, the only information he gave you upon the subject was that she was to be chartered by the government?

Answer. That is so.

Question. (By Mr. Dawes.) Did Develin, at that time, speak of the chance of making a good thing of it?

Answer. He said nothing regarding the chances.

Question. What did he say?

Answer. As I said before, he wanted to buy this vessel, and intended to charter her to the government.

Question. What did he say in relation to his insurance? That he could do it profitably?

Answer. Nothing at all.

Question. I think you stated that he did say so.

Answer. His words were these: If you could go down and buy the vessel they could charter it to the government.

Question. I refer to the expression that if they chartered the vessel to the government they could make a good thing of it.

Answer. Oh, no sir; he said nothing about the terms, nor did I inquire.

Question. Then you merely stood in the relation of holding the title at his request, leaving it entirely to him, if there was a profit in it, to do as he pleased.

Answer. Yes, sir.

Question. And you took no further interest in it, and had no further knowledge of the transaction.

Answer. None at all.

Question. Are you a member of any business firm in this city?

Answer. No further than that I am one of the proprietors of the Astor House.

C. A. STETSON, JR.

NEW YORK, *August 29, 1861.*

M. M. FREEMAN recalled.

Question. Have you a memorandum of the policies of insurance upon the steamer Cataline at the time she was destroyed?

Answer. I have.

Question. State the different companies in which she was insured, and the amount of insurance in each.

Answer. The following is a correct list of the companies, and the amount in each.

Fire.

City	\$1,250 00
Williamsburg City	2,500 00
Northwestern.....	2,500 00
Harmony	2,500 00
Lafayette	2,500 00
Phenix	2,500 00

Fulton	\$2,500 00
Charter Oak	1,250 00
Gebhard	2,500 00
	20,000 00

On hull.

Phenix	\$5,000 00
Atlantic	5,000 00
Northwestern.....	5,000 00
	15,000 00

Question. Have you made an estimate of what it cost you to run the boat per month?

Answer. As well as I can judge, she cost us nearly \$10,000 during the time we owned her. That includes the wear and tear upon the vessel.

Question. How long was she in the service?

Answer. Two months and eight days.

Question. How do you make out that amount?

Answer. We paid Captain Phillips per month \$3,100, making for the time about

For commissions on the purchase, at $2\frac{1}{2}$ per cent., say.....

For commissions on disbursements

For commissions on collecting insurance

For repairs, (estimated).....

\$7,000 00

500 00

200 00

500 00

500 00

8,700 00

The commissions are our charges for doing the business. We get commissions for her purchase, and for all bills we pay for her. You readily see we cannot afford to advance \$23,000 cash for seven per cent., and do all the work and business of the vessel in addition. As ship merchants, it is our business to charge commissions.

Question. What sort of repairs had she?

Answer. I suppose the repairs will amount to \$500 or \$600.

Question. Do you know that, or is it a general estimate?

Answer. It is my general estimate.

Question. Why do you charge the commissions on the cost of the boat to the running expenses of the boat rather than to the cost?

Answer. You may charge them either way you choose. It makes no difference with me, but that charge has never yet entered into the cost of the vessel.

Question. My desire is to get at what is properly chargeable to the running expenses of the boat.

Answer. Then you would have the same objection to the item for collecting insurance.

Question. Certainly. Does that charge include the hull policies?

Answer. No, sir.

Examination by Mr. Holman.

Question. How many propositions for chartering the boat did you submit to the quartermaster or any other officer of the government?

Answer. Only one.

Question. Is that the proposition which was accepted with limitations by Colonel Tompkins?

Answer. It is.

Question. Does it bear its correct date?

Answer. It does; the 26th of April or the 25th. The figures are indistinct.

Question. Was she loading before the proposition was accepted?

Answer. I presume she was loading on the 25th.

Question. Then she was loading before the proposition was accepted by the quartermaster?

Answer. I do not know that she was.

Question. Through whom did you submit that proposition?

Answer. Through Captain Comstock.

Question. Was any proposition for chartering the vessel submitted to the government by Mr. Develin?

Answer. Not to my knowledge, other than the one I have spoken of. He wrote that in my presence.

Question. And you know of no other proposition submitted?

Answer. I do not.

Question. Was Captain Comstock authorized to submit to the quartermaster a proposition of a similar character, but proposing that the government should pay for the vessel if she was lost from any casualty whatever?

Answer. Not with my knowledge. That is the only proposition I ever heard of, or knew of being made.

Question. Was Captain Comstock authorized to submit any other proposition by parol?

Answer. No, sir; not to my knowledge.

Question. Then if any proposition was submitted to the government, either in writing or otherwise, to pay for her loss in any event, it was not with your knowledge?

Answer. It was not. You understand, I suppose, that I did not come into the transactions concerning the Cataline during the first days she was talked about. You ask me for my knowledge upon the subject, and to testify to what I know. I could tell what I heard in regard to the matter. The boat was bought, and talked of being chartered to the government two or three days before Develin made that proposition from me, because he had made all the arrangements to buy the boat, and he arranged, as he told me, to pay for her, but that the arrangement fell through. He asked me if I would advance the money, and that is the first I knew about the matter. But Mr.

Develin or Mr. Stetson had been the virtual possessors of the boat two or three days before that time.

Question. You were connected with the vessel from the time she was actually purchased?

Answer. I do not think I was.

Question. You were aware of the time when the boat was transferred from the original owner, Corlies, to Stetson?

Answer. That, I think, had been done before ever I advanced the money to Develin.

Question. Did you know that they were negotiating to buy the vessel?

Answer. Not before Mr. Develin applied to me to advance the money, but by hearsay since.

Question. But the transfer had not been made until the money was paid?

Answer. I think Develin paid the money before I advanced it.

Question. How did you advance it?

Answer. In two checks, one of \$10,000, and another of \$8,000.

Question. If the price of the vessel was paid for by those checks, then from the time the vessel was actually purchased you were connected with it?

Answer. I was under the impression that Develin had temporarily borrowed \$18,000, with which he paid for the boat.

Question. But if the boat was paid for by those two checks, you were connected with the boat from the time of the ownership of the boat by Stetson?

Answer. Yes, sir.

Question. State by whom this boat was examined before her purchase?

Answer. I do not think Develin told me who examined her; he told me she had been examined, and he told me she was worth \$18,000; that Corlies asked \$20,000 for her, but that she could be bought for \$18,000.

Question. Did you not understand from Develin, or from some other quarter, that an actual examination of the vessel had been made before the purchase was made?

Answer. I understood from Develin that Captain Comstock had examined the boat for the government with a view to a charter; and that he had expressed the opinion that the boat was fit for the purposes of the government.

Question. When did Develin inform you of that fact?

Answer. When he came to ask me about advancing the money to buy the boat with.

Question. State, if you know, by whom Captain Comstock had been ordered to examine this vessel?

Answer. I do not know of my own knowledge.

Question. State your information upon the subject.

Answer. My information was, that Captain Comstock had been ordered by some one in authority to charter a boat or boats for government purposes, and that he had examined this boat; that in looking around for boats he had found this one, and that it was suitable.

Question. Did you obtain that information from Develin ?

Answer. I think I did.

Question. Was that at the time he was proposing to you to advance this money ?

Answer. Yes, sir ; about that time. I did not know of the movements of Captain Comstock other than hearing that he was several times down on board of that boat ; I heard it from Captain Phillips after her charter.

Question. And from Develin ?

Answer. Yes, sir ; I have no information of my own knowledge of Captain Comstock's examination of the boat, or of the particular time.

Question. But before you advanced the money you were certain it had been made ?

Answer. Mr. Develin told me it had been examined by Captain Comstock before I advanced the money.

Question. What did Develin say Captain Comstock's opinion was as to her value ?

Answer. He told me that he said she was worth \$20,000.

Question. Was this in the first conversation you had with Develin ?

Answer. Most likely.

Question. Were you acquainted with Captain Comstock before this transaction ?

Answer. No, sir.

Question. When did you first become acquainted with Captain Phillips ?

Answer. I found him in command of the vessel the first time I went on board of her ; he had been employed by Develin previously.

Question. How soon after the purchase were you on board of the vessel ?

Answer. I was on board the very day I made the offer to the government.

Question. And on that day you found Captain Phillips on board ?

Answer. Yes, sir.

Question. Did you understand from him, or from Develin, how long he had been in charge as captain ?

Answer. He had been put in charge by Develin immediately after Develin bought her.

Question. Do you know a gentleman by the name of Morton, whose name has been connected with this purchase ?

Answer. I have seen a Mr. Morton.

Question. What do you know, if anything, of his connexion with the preliminary steps towards the purchase ?

Answer. Nothing at all.

Question. Had you any information from him of the purpose of chartering this boat ?

Answer. No, sir.

Question. When did you first see Captain Comstock in reference to chartering this vessel to the government—how long before or after you made this purchase ?

Answer. At the time I made this proposition was the first time I saw Captain Comstock in regard to it.

Question. Where?

Answer. At the Astor House.

Question. Was the proposition drawn up there?

Answer. It was.

Question. Was he present?

Answer. He was.

Question. Who else was present besides Captain Comstock and yourself?

Answer. Mr. Develin.

Question. Any other person?

Answer. No, sir.

Question. Did you deliver the proposition to Captain Comstock there?

Answer. I did.

Question. How long after that was it before he returned it to you, with the indorsement made upon it by the quartermaster?

Answer. I testified yesterday that it was the next day. Captain Comstock did not return it, but Develin handed it to me.

Question. Do you know when it was returned to Develin?

Answer. I do not.

Question. Had you learned through any other source than the contract itself, the day before, that the proposition had been accepted?

Answer. Not that I remember.

Question. Were you not aware of the acceptance of the proposition on the very day it was made?

Answer. My testimony yesterday is, that I thought it was the next day. It may have been the afternoon of the same day, or it may have been the next day.

Question. In the meantime, however, between the submission and the acceptance of the proposition, the vessel was in progress of being loaded and fitted out?

Answer. I think she was.

Question. If the fitting out of the vessel was in progress between the time when the proposition was made and the time you were informed of its acceptance, was not your action based upon the assurance of Captain Comstock that the vessel would be accepted by the quartermaster?

Answer. I did not know that she was being loaded until after the acceptance of the proposition, when I went on board of her.

Question. Who assumed that responsibility?

Answer. I do not know.

Question. Who could have assumed the responsibility, if you had charge of the vessel?

Answer. I do not know. Her charter commenced on the 25th, I think.

Question. What time in the day was it, whether on the 25th or 26th, that you met Captain Comstock and Develin at the Astor House?

Answer. Ten o'clock in the morning.

Question. Was the proposition written in the presence of Captain Comstock, and there delivered to him?

Answer. Yes, sir.

Question. By whom was the proposition made as to the length of time this vessel should be chartered, or was that the result of a conference between yourself, Comstock, and Develin?

Answer. The proposition was written by Develin, by my dictation.

Question. What suggestion did Captain Comstock make upon the subject, if any?

Answer. None that I am aware of.

Question. As to the price of \$10,000 a month, who suggested that sum?

Answer. Develin had told me previously that he thought she could be chartered for that sum.

Question. And when the proposition was drawn up, that sum was inserted as a matter of course?

Answer. It was a proposition we made to the government, as you will see by the terms of the contract.

Question. But the \$10,000 was mentioned in the proposition, as a matter of course, from the previous conversation between yourself and Develin?

Answer. Yes, sir.

Question. Did Captain Comstock make any suggestion upon the subject when that specific sum was named?

Answer. I think not.

Question. Did he suggest it was too high or too low?

Answer. He made no suggestion about it as I know.

Question. When Develin told you it could be hired to the government for \$10,000 a month, upon what did he tell you he based that opinion?

Answer. I do not remember that he gave me any basis for the opinion.

Question. Did he mention the fact that he had had a conference with Captain Comstock upon that point?

Answer. He may possibly have said he had been in treaty with Captain Comstock for her, and that he could get \$10,000 a month for her.

Question. What is your best recollection as to whether he told you that or not?

Answer. Develin certainly gave me assurances that he could get \$10,000 a month for it.

Question. What is your best recollection as to whether he predicated his opinion upon a conference which he may have had with Captain Comstock?

Answer. I do not know that I can give a statement upon a subject in reference to which I have no definite recollection.

Question. But Captain Comstock's name was mentioned in reference to the particular sum of \$10,000.

Answer. Captain Comstock's name was mentioned in that conversation, and may have been mentioned in the way that Captain Com-

stock supposed he could get it; but I have no recollection upon the subject.

Question. For what purpose was Captain Comstock present when the proposition was drawn up?

Answer. To receive the proposition.

Question. Did he name any proposition as to the terms, the time, or money?

Answer. No, sir; I think very likely Captain Comstock did say that the government would charter her for three months.

Question. Was it upon his suggestion that the sum of \$50,000 was inserted?

Answer. That suggestion was mine.

Question. Did he propose to reduce that sum?

Answer. No, sir.

Question. You have already stated that \$10,000 was suggested by Develin, and that he said he probably could get that sum for the charter of the vessel. At that time was anything said about what he could get for the value of her if lost?

Answer. I think not.

Question. Did you hear Comstock say at any time that this vessel was worth \$50,000?

Answer. No, sir.

Question. And he did not suggest that sum?

Answer. No, sir; I think not. My recollection of that thing is this: That Captain Comstock suggested that he must have the privilege for the government to purchase her. I asked him the question, "Will you agree that the government shall purchase the vessel?" He said "No; the government will not agree to buy it at all, and there is no probability that they will buy, but they must have the privilege, and they require that privilege in all their contracts." "Very well" I said, "if you want a privilege all upon your side you must pay for it; put down \$50,000 as the price of the refusal." He replied "Very well."

Question. Was that vessel worth \$50,000?

Answer. No, sir.

Question. Did not Captain Comstock know that she was not?

Answer. I do not know what he knew. That was put in more as a sort of go-by than anything else. There was no pretence upon the part of Comstock or anybody else that the vessel was worth \$50,000.

Question. Why was it put into the contract that the government should pay \$50,000 in case of loss?

Answer. When we came to that I told them they had fixed the price at \$50,000, now put in the same sum, if it is to be paid for by the government in case of loss.

Question. If this vessel had been lost, for any cause not covered by the insurance, you would have been entitled to \$50,000. Did you expect to get that money?

Answer. I have never claimed a cent yet. When this offer was made to Captain Comstock he said he would take and show it to Tompkins, who would probably make a variety of alterations in it.

Question. But in your proposition you fixed the value at \$50,000, if lost?

Answer. That is all so. It is in black and white there.

Question. Did Captain Comstock make any objections to those terms?

Answer. He did not. He took my offer as it was and returned it to Develin, with the indorsement upon it.

Question. I believe you have stated the amount of money you received from the government?

Answer. I do not think I have.

Question. What have you received?

Answer. \$10,000.

Question. What security do you now hold for the payment of the original price of this vessel, independent of the insurance?

Answer. I hold the contract against the government and notes.

Question. What notes? More than one note?

Answer. Yes, sir.

Question. Executed by more than the two parties, Stetson & Develin?

Answer. Yes, sir.

Question. Were these notes executed at or about the time the vessel was purchased?

Answer. Yes, sir; some of them were. One I hold now, against Mr. Stetson, was executed lately.

Question. How as to the one given by Develin?

Answer. It was executed about the time.

Question. What is its date?

Answer. I do not recollect.

Question. As early as the 27th of April?

Answer. I think so.

Question. As early as the 25th?

Answer. I think not. They were executed probably the 25th or 26th.

Question. How many parties to those notes, and what is the amount of them?

Answer. There are four notes of \$4,500 each.

Question. Who are the parties to those notes besides Develin & Stetson?

Answer. I do not think that is a matter in which the government is interested. It is a private matter between Develin and myself, and I should not like to answer the question except upon consultation with him. I think I got the notes on the 28th.

Question. Are the same parties upon all the notes?

Answer. No, sir. They are made by different parties and indorsed by different parties. Each of the parties stand as the maker of one of the notes and as the indorser of another of them. Each one of the four made himself as the payor of one note of \$4,500, and as the indorser of another note of \$4,500. The parties were Develin and three others.

Question. Develin signed one of the notes?

Answer. Yes, sir; and one of the other persons indorsed it.

Notes dated 26th April, 1861, for \$4,500 each, received by M. M. Freeman & Co. same day:

John E. Develin, indorsed G. C. Davidson.

Thurlow Weed, indorsed John E. Develin.

G. C. Davidson, indorsed O. B. Mattison.

O. B. Mattison, indorsed Thurlow Weed.

Checks given: 26th April.....	\$10,000
27th April.....	8,000
	\$18,000

Question. Were these four notes given the same day you advanced the money?

Answer. They were given that day or the day after.

Question. Where were you when you gave the checks?

Answer. At my office.

Question. Were those notes executed in your presence?

Answer. No, sir; they were brought to me.

Question. Can you furnish the date of the checks and notes?

Answer. I cannot now.

Question. Did you have any conversation in relation to that matter, except with Dennison and Stetson?

Answer. No, sir.

Question. At the time Develin and Stetson were talking to you about it, before you consented to advance the money, did they mention the names of these other gentlemen?

Answer. Of course I knew whose names I was to have.

Question. Did they say why and how it was that those gentlemen were willing to sign those notes as security?

Answer. No, sir.

Question. Did they state to you that they were to be interested in this boat?

Answer. No, sir.

Question. Did they state that these gentlemen would use their influence in procuring the acceptance of the charter by the government?

Answer. No, sir.

Question. Did you employ Captain Phillips?

Answer. He was employed by Develin at first; but we afterwards assumed the contract made with Phillips.

Question. At the time he was negotiating with you to advance the money, what conversation had you which led you to suppose that this vessel was to be chartered by the government?

Answer. Develin informed me that she had been examined by Captain Comstock; that she was just the boat the government wanted, light draft, boilers below deck, and that in all probability she would be chartered by the government.

Question. Did he state any other reason inducing you to think, or inducing Develin to have the belief, that she would be chartered by the government?

Answer. Not that I know of.

Question. Did he tell you at that time who would be interested in the matter except Stetson, yourself, and himself?

Answer. No, sir.

Question. Did he mention anybody who would take an interest in procuring her acceptance by the government?

Answer. No, sir.

M. M. FREEMAN.

NEW YORK, August 30, 1861.

WM. A. VAIL was sworn and examined, as follows :

Examination by Mr. Washburne.

Question. State your residence and your business.

Answer. My residence is in Connecticut, and my business is that of steamboat pilot most of the time.

Question. Do you know the steamboat Cataline?

Answer. I do.

Question. Do you know anything of her recent charter to the government?

Answer. I know nothing about it, except that I have heard of the fact through the newspapers.

Question. What do you know about the steamer?

Answer. I commanded her last year.

Question. Where did she run at that time?

Answer. For about three weeks to Sag Harbor, and the rest of the time to Bridgeport.

Question. What kind of a boat was she?

Answer. A good old boat.

Question. Did you run her upon your own account?

Answer. No, sir ; I was employed by Mr. Corlies.

Question. What do you consider to be a fair value for the boat?

Answer. That would depend upon circumstances. If you had a good route, and could not get another boat to fill it, she would be worth more than if you had no business for her. If she had no business she would not be worth much.

Question. (By Mr. Holman.) Would not the fair market value of the vessel in April last be the standard of judging?

Answer. I should say \$15,000 was all the vessel was worth ; there were plenty of steamboats.

Question. You say she was an old boat?

Answer. Yes, sir ; I think 17 or 18 years old. Mr. Corlies, or his sister, was the owner of the boat at that time. He told me his sister was the owner, and I acted as agent for him.

Question. What was the expense of running her per day?

Answer. In running her to Bridgeport, I think, the pay-roll was about \$650 a month.

Question. State the officers and men you had upon the boat in running her upon that route last season.

Answer. 1 captain, 2 engineers, 3 firemen, 6 seamen, 3 waiters, 1 chambermaid, 2 pilots, 1 steward, 1 cook, 1 deck-boy, 1 mate.

Question. What did you pay the engineer?

Answer. Mr. Corlies paid the head engineer, and I paid the second one \$30 a month.

Question. What did you pay for seamen?

Answer. About \$15 a month.

Question. How much coal did you burn a day?

Answer. In running that trip we burned inside of six tons a day, the round trip.

Question. How much coal an hour?

Answer. She was under way about ten hours a day, which would make it a little over half a ton an hour.

Question. What do you suppose it would cost to run this boat per month, taking into consideration the pay of the officers and employes, and including coal, fuel, oil, provisions, &c.?

Answer. I cannot make a correct estimate as I do not know what the steward's bills were; and their amount would depend upon the number of passengers.

Question. What would be the expense of running the boat this year compared with that of running her last April; and what would be the difference between the expense of running the boat in the Sound and running her to and between Fortress Monroe and Annapolis?

Answer. I suppose we pay about the same wages this year as last, and about the same for coal.

Question. Would it cost more for a voyage to Fortress Monroe and Annapolis, covering a period of three months?

Answer. I think it would, considering the state of things which existed.

Question. What wages did you get as captain?

Answer. Mr. Corlies agreed to give me \$1,000 a year, and if he succeeded well he was to make it up to \$1,200. After running seven months he paid me at the rate of \$100 a month, and at the rate of a \$1,000 a year for the other five months, but he has not yet made up the \$1,200 a year.

Question. For how much per month could you have run that vessel this year to Fortress Monroe?

Answer. I do not know. I could run a boat this year cheaper than last. I do not know anything about that route, and I could not make an approximate estimate of the difference in expense. I do not know what it would cost for coal down there.

Examination by Mr. Holman.

Question. In the month of April last, from the 20th to the 25th, what was the condition of the market for steam vessels, either for sale or charter?

Answer. Steamboating is not in my line of business generally. I have acted mostly as pilot.

Question. Were vessels more than usually employed in the month of April?

Answer. I guess not. I think they had not so much business as usual.

Question. There were at least as large a number of such vessels in and about the city of New York as there had been during the last year?

Answer. I suppose about as many.

Question. And the business was not increased over that of last year?

Answer. Not for small boats like her. Mr. Corlies probably had no route for her; that was what he told me when I left the boat.

Question. Was the boat employed after that time?

Answer. She ran for a time in the room of the steamer Bridgeport.

Question. How long was she laid up before her sale on the 24th of April?

Answer. I think she had been unemployed more than a month.

Question. (By Mr. Steele.) You would have had no hesitation in taking command of the vessel and going down to Annapolis in her?

Answer. I should not care about going outside with her. I am not used to going to sea upon that kind of boat.

Question. If you had had a good vessel you would have had no hesitation?

Answer. I should not.

Question. (By Mr. Dawes.) What would be the objection in this case?

Answer. I would not like to go to sea in a vessel which I was afraid of.

Question. Do you say you would not have been willing to go to sea upon the Cataline?

Answer. I do.

Question. Because of the condition of the boat?

Answer. Because she was old, and one does not know when an old boat will give out.

Question. Was there anything peculiar in her structure or in her timbers?

Answer. It was said that her timbers were locust.

Question. Was there anything remarkably valuable in her construction or her timbers?

Answer. I do not think there was. Locust and cedar are regarded as good ship timber.

Question. Was there anything in the structure of her hull, or in anything which had been done to the vessel of late which was of especial value?

Answer. She had had a lug frame made of late.

Question. Was that because she was weak?

Answer. Well, sir, most boats have them now-a-days.

Question. (By Mr. Steele.) In a boat in which you would have been willing to have gone to sea, what would you have gone for?

Answer. I should not have wanted to have gone there at all. I

said I was not afraid to go to sea in a proper vessel, but I know nothing of that trade.

Question. What I want to get at is, what the services of a qualified person would be worth as captain?

Answer. I do not know anything about it.

Question. (By Mr. Washburne.) Under all the circumstances connected with the fitting out of this vessel, what could the services of a captain have been procured for?

Answer. I suppose good men for the service could have been had for what I received—\$100 a month. I would not have gone for that, nor for twice that, but that arises from my knowledge of the boat. A man that did not know the boat might go for less.

Question. (By Mr. Holman.) You would not regard such a vessel as that as really seaworthy?

Answer. I would not.

Question. Would the absence of that seaworthiness have been disclosed by a careful examination of the vessel by a man skilled in the knowledge of vessels?

Answer. I suppose a man would be a better judge of the seaworthiness of a vessel after he had been outside with her.

Question. But could not a skilful shipman, on a thorough examination of this vessel, discover the fact that she was not entirely seaworthy.

Answer. I do not suppose he could examine her so closely as he could after she was lifted up.

Question. But still, could not a person skilled in the examination of vessels have discovered, from age or other causes, that she was not adapted to such a service?

Answer. I think if a man was thorough with the examination he might.

Question. Could not a man who had been a seaman in the harbor of New York for twenty-five years, upon an examination, judge of the seaworthiness or unseaworthiness of such a vessel as the Cataline?

Answer. He could form a better opinion of her after he had been outside in her in a storm.

Question. Certainly; but could he not, without that, form a pretty good opinion from an examination, knowing her age and everything about her?

Answer. I do not think he could as well as after he had been out and tried her in a storm. Paint and putty cover up a good many pots.

NEW YORK, *August 30, 1861.*

SAMUEL W. MORTON was sworn and examined, as follows:

Examination by Mr. Holman.

Question. State your residence.

Answer. I reside in Brooklyn at present.

Question. In what business were you engaged in the month of April last?

Answer. I believe I was just finishing the repairs on the propeller De Witt Clinton.

Question. Where were you building that vessel?

Answer. At the Atlantic dock basin.

Question. Were you about that time, or within six months previous to it, engaged in any other business?

Answer. No, sir.

Question. When did you first become acquainted with the steamer Cataline?

Answer. In March, last winter.

Question. What was the character of your connexion with her in the month of March?

Answer. I think I had nothing to do with her except to inquire of Mr. Corlies if he would sell the boat. I had some conversation with his agent in regard to the price and conditions.

Question. Did you examine the boat at that time?

Answer. I did not.

Question. When did you examine the vessel for the first time?

Answer. I think it was two days before she was chartered by the government.

Question. At what price did Mr. Corlies, or his agent, propose to sell her at the time you first spoke to him?

Answer. \$20,000.

Question. Were you wishing to purchase the vessel at that time?

Answer. Yes, sir; I was looking for a side-wheel steamer.

Question. When did you next approach Mr. Corlies, or any other person, with a view to purchase this vessel?

Answer. The day before she was chartered I met Captain Comstock at the Astor House, and he inquired if I knew where there was a boat which could be immediately obtained.

Question. This was the day before the purchase was made. What steps did you then take towards her purchase?

Answer. I told him I knew of no unemployed boat suitable for the purpose required, except the Cataline, without taking a boat out of the line.

Question. Who was present at the conversation between you and Captain Comstock?

Answer. No one.

Question. For what length of time did he say the government desired to charter a vessel?

Answer. He did not tell me at that time. He said they wanted a vessel the next morning at 10 o'clock.

Question. Upon what terms did he say the government would charter a vessel?

Answer. He did not tell me at that time. We took a hack and went together to look at the Cataline.

Question. State what day of the month that was?

Answer. Really, I cannot; I did not make any note of it.

Question. It was, however, the day before the purchase was made?

Answer. Yes, sir.

Question. At the time you and Captain Comstock went on board of her who was the owner of her?

Answer. She was in the custody of Corlies. She was lying over at Brooklyn.

Question. How long?

Answer. Two or three weeks. I had not noticed her except within a short time.

Question. At that time was any officer on board of her?

Answer. No, sir; some workmen were painting her.

Question. Did you see Captain Phillips there?

Answer. No, sir; Captain Phillips was in my employ then on another boat.

Question. In what capacity?

Answer. As captain.

Question. When you and Captain Comstock went to the boat did you go in company with Corlies?

Answer. No, sir.

Question. What examination of the vessel was at that time made by yourself and Captain Comstock?

Answer. We went through the boat, and I took a light and went down and examined her boilers, and made a pretty thorough examination of the condition of the machinery.

Question. And Captain Comstock did the same thing?

Answer. Captain Comstock did not go down below, but he examined the machinery above, and looked over the boat to see what her carrying capacity was.

Question. Was it known then by you and Captain Comstock who was the owner of the vessel?

Answer. I did not know who the owner of the boat was. I knew that Corlies was the agent of the Bridgeport line.

Question. How long after this inspection of the vessel did you have an interview with Corlies?

Answer. The afternoon of the same day.

Question. By yourself, or with Captain Comstock?

Answer. I went down to the office and took Mr. Crocker with me, and went to the boat again without Captain Comstock, on the same day.

Question. Did you make an offer to Mr. Corlies to purchase the vessel?

Answer. I did.

Question. At what price did he propose to sell her?

Answer. He asked \$20,000. I was there an hour, and we had considerable conversation, and I took the refusal of the vessel at \$18,000 that night.

Question. For what length of time?

Answer. Three or five days.

Question. Did you purchase the vessel?

Answer. I made an agreement to purchase her, but I did not pay the money.

Question. By the contract, when and where was the money to be paid?

Answer. \$10,000 in cash, and the balance in approved paper at 30 and 60 days; but I had the option to pay all down.

Question. Did you consummate the trade?

Answer. I did not.

Question. Whom did you next confer with?

Answer. Crocker and myself, after returning to the hotel, sat down and made some figures as to the expenses of running the boat, the risk, the additional expense, the wear and tear by the service, and Crocker thought he would not want to go into the venture. From conversation with Comstock, I understood that the services would be extra hazardous and a good deal more than are ordinarily required to be furnished by one boat.

Question. Who is Mr. Crocker?

Answer. A resident of Utica, and formerly one of the directors in the overland mail route to California, with Mr. Butterfield.

Question. For what purpose did you embrace him in your investigations?

Answer. He was a friend of mine; I had been associated with him some years before, and he was a man of means, and a business man.

Question. After this whom did you approach upon the subject?

Answer. Captain Comstock said the boat would be required for transportation service, and would in all probability be required to keep steam up continually, running night and day. Crocker thought the expense would be double the usual amount, and the wear and tear over that, and he concluded he would not go into it, and then I saw Mr. Develin.

Question. In making this estimate as to the cost of running the vessel, which estimate induced Crocker not to engage in the enterprise, upon what basis did you operate as to the amount the government would probably pay for the vessel?

Answer. We ascertained the largest amount that would probably be paid for a charter, and deducting from that the insurance, repairs, ordinary and extra, the extra amount for help and expenses, stores, &c., estimating as accurately as possible the cost of running, we found what would be left. That was the basis of his conclusion.

Question. Did you know the amount that would probably be paid?

Answer. Not exactly, but I ascertained from Captain Comstock very nearly what would be paid.

Question. What was that sum?

Answer. Ten thousand dollars.

Question. What was your conversation with Develin?

Answer. I told him I thought there was a pretty good chance to furnish a boat to the government, and that something could be made of it with good management.

Question. Where was it you saw him?

Answer. At the Astor House, just as he was coming in from the office.

Question. Did you tell him of your conditional contract for the purchase of the Cataline?

Answer. The substance of it, I did.

Question. Did you tell him the terms on which she could be chartered?

Answer. I think not; I told him about the condition of the boat; that I thought she could be bought at a bargain.

Question. After this interview with Develin, what further connexion had you with the purchase of the vessel?

Answer. The next morning I met Freeman, and was introduced to him. He asked me some questions in regard to the condition of the vessel, and also the expenses of running it.

Question. Did he approach you upon the subject, or you him?

Answer. He approached me; he met me in the hall. I do not know that Develin was with me, and I do not know but he was.

Question. This was at the Astor House?

Answer. Yes, sir.

Question. Develin and Freeman were there together?

Answer. I think they were. I think Freeman asked me, as he understood I had been making some figures, as to the expense of running the boat. I told him I had been figuring.

Question. Did Freeman then say that the Cataline had been chartered?

Answer. He said negotiations were then pending.

Question. Did you transfer to Develin your conditional contract for the purchase of the vessel?

Answer. Crocker had done so the night before; I had left the matter with him.

Question. Upon what terms and conditions?

Answer. On no terms whatever. He gave over the contract to Develin, and told him he did not want to go into the matter. He gave up the claim without any compensation whatever.

Question. Had you, yourself, any other conversation with Develin, except to intimate to him that such a vessel could be bought, and most likely could be chartered to the government?

Answer. I do not know. I have not charged my mind with the matter. It was a casual conversation.

Question. You think you did mention to him the price at which she would be chartered?

Answer. I might, but I do not recollect.

Question. Did you mention that you and Captain Comstock had examined the vessel?

Answer. I did, and that he said she would answer the purposes for which she was required; that he was extremely anxious to get the boat the next day at 10 o'clock, to be delivered at a pier on the North

river, for transportation of stores, bread, and live stock to the troops, which was then waiting to be shipped; that the night before I had told Captain Phillips to go on board and get her ready to run around. I told Develin that if Crocker did not want to go in with me, I did not want anything to do with it. It was to carry out my conversation with Captain Comstock, that induced Crocker to hand the boat over to Develin.

Question. How many vessels did Captain Comstock say he was authorized to charter for the government?

Answer. He did not say.

Question. What did he say, if anything, about the instructions he had received from either of the quartermasters in this city, or from General Wool, in reference to the chartering of vessels.

Answer. I do not think he said anything about it.

Question. What other vessels besides the Cataline did you and Captain Comstock examine upon this trip?

Answer. We drove up to Green Point and then down the East river, part way. He got out along to make some inquiries and some examinations. I think he went aboard of his own vessel too. He made some inquiries of shipping men. I do not know that he actually went aboard of any other vessel. There were one or two vessels lying above his, which he looked at from the shore, but they were not suitable for the purpose.

Question. In the interview with Freeman and Develin at the Astor House, what was said about the amount the government would pay for the vessel?

Answer. I think there was nothing said by Freeman about it. Our conversation was merely about how I made my estimate of the expenses of running the boat. I explained to him how I made it up. I think nothing was said about the government charter.

Question. Did he seem at the time to have no understanding about it?

Answer. I supposed at the time he had been talking with Develin about it. He thought my figures too low. I told him that would depend upon the price of coal.

Question. Had you told Captain Comstock at the time you examined this vessel, the price at which she could be purchased?

Answer. No, sir; I did not know it then.

Question. What opinion did he express as to the value of that vessel when you were on board of her?

Answer. He said she was a good vessel, in pretty good condition; that he knew her very well, knew her when she was building, and he seemed to know all about her.

Question. But never heard him give any intimation that she was worth more or less than \$18,000?

Answer. I think next day Corlies said to me that a gentleman wanted that boat, and asked me if I would give him my refusal of her. He said he was offered \$26,000 for her, if she could be had immediately.

Question. What was your reply?

Answer. I told him the refusal had gone out of my hands, that I had nothing to do with it at that time.

Question. Corlies was not bound by the refusal given to you?

Answer. He was, for there was a consideration given for it.

Question. What consideration?

Answer. A small one; ten dollars, perhaps.

Question. Had you the right to transfer it?

Answer. Crocker had transferred it.

Question. Was the small sum refunded?

Answer. No, sir.

Question. What interest had you in the ultimate purchase of the vessel?

Answer. None in the purchase subsequently carried out. I expected to have an interest in the original purchase by Crocker.

Question. Had you no interest in connexion with Captain Phillips?

Answer. None whatever.

Question. And you received no compensation for surrendering your contract?

Answer. Not a cent.

Question. And received nothing, either directly or indirectly, from the purchase as subsequently made?

Answer. No, sir. Phillips asked me if he should continue with the parties who had purchased the boat. I said their offer was better than I could afford to make to him, and that he had better remain there. I had been giving him \$100 per month.

Question. On what terms was he to run the vessel in the event of your making the purchase?

Answer. He was to have a stipulated time to run her, and he was to run her as economically as he could.

Question. Upon what terms was he ultimately employed?

Answer. I think they carried out the original terms we talked about, and I think they increased the amount somewhat.

Question. What was really the character of the terms arranged between yourself and Captain Phillips?

Answer. His proposition to me was to run the boat for \$3,300 a month, and we were besides to allow him for the actual cost of the coal over and above what we could get it here for.

Question. Over and above the \$3,300, what were the additional expenses of running the vessel?

Answer. Well, there was the wear and tear of the boiler. We calculated that the nature of this service would require more than ordinary wear of vessel and machinery, and that having no opportunity of blowing the boiler out it would require considerable extra repairs. And then, being obliged to run her night and day, we would have to have a set of night hands.

Question. But that would enter into the \$3,300?

Answer. Not exactly. We thought we might possibly be able to get along with one set of hands, but we did not know but we should have to get a second set, though we could get along with one set of officers.

Question. Well, if Captain Phillips in the end was to run the vessel for \$3,100 a month, the terms were made less rather than more liberal than yours.

Answer. I think he had some additional privileges which we were not going to let him have.

Question. What was the additional bonus which Freeman & Co. were to pay?

Answer. I cannot tell, and Freeman did not inform me. He said they would have to make him a larger margin in some shape. I figured also in regard to the outfit of the boat. There was no outfit upon the boat at the time; that is, bedding and furniture for the crew. She was found in every respect except the outfit, and I estimated at \$4,000, and Freeman thought that was not high enough. I think they subsequently laid out five or six thousand dollars.

Question. In your estimate, for what length of time did you suppose she would be chartered?

Answer. In the conversation I had with Captain Comstock he would not consent to make any promise for a longer period than three months. This outfit did not include provisions.

Question. Had Develin been previously engaged in the boat-buying business?

Answer. I do not know that he had. He is a marine lawyer, and is familiar with vessels.

Question. Have you ever known him engaged in the purchase of a vessel?

Answer. I do not know of my own knowledge. I understood he had an interest in a propeller.

Question. Was he the only person to whom you intimated that such a vessel was for sale, and that you had the refusal of her, and that she could be chartered to the government?

Answer. I think so; I had but a few moments' conversation with him. I may have talked with somebody else, but I do not recollect.

Question. Did you and Crocker conclude that the vessel could not be run for \$10,000 a month; and did you make a proposition to Captain Comstock to increase the amount?

Answer. No, sir; he said absolutely that it would be utterly impossible to make an estimate higher than that, and he did not know as he could get that.

Question. You are familiar with running vessels.

Answer. Somewhat.

Question. Suppose the vessel could be run, so far as the complement of men and all such things are concerned, for \$10,000 a month, what additional items would there be in running the boat?

Answer. There would be the insurance.

Question. What would that amount to?

Answer. About \$1,400 on \$20,000 per year.

Question. The vessel was partly insured at the time?

Answer. Partly. The premium was not paid upon those insurances, and Mr. Freeman subsequently renewed them.

Question. What did the insurance upon her amount to for a period of three months?

Answer. I cannot tell. Upon a vessel of that kind they charge a higher rate of premium than upon a new vessel, and that service was considered extra hazardous.

Question. Why?

Answer. From the fact of having steam up constantly, and no opportunity to blow the boiler.

Question. What other item besides insurance?

Answer. The wear and tear of the boat. The wear and tear would be considerably increased by continual service.

Question. What would be the amount of the probable repairs per month for three months?

Answer. I think probably about \$500 a month.

Question. What other items, besides those two?

Answer. It is difficult to give the items; they are all incidental, and may be more or less; there may be items embraced in the contingent expenses which I cannot name; about New York there would be a great many items of expense, such as wharfage, &c.

Question. What intercourse had you with Stetson, beyond his application to you to call in and see Freeman?

Answer. None at that time.

Question. Or at any other time?

Answer. I think I met him afterwards at the custom-house when he was getting out the papers; I think he said the boat was going the next day.

Question. Did you notice the figures of Freeman, as to the expense of running the boat?

Answer. I did not; he asked me only in relation to my figures.

Question. You had no intimation from Captain Comstock that he desired to charter any other vessel than this?

Answer. He said the government wanted vessels, and he asked me if I knew where he could charter a vessel by ten o'clock the next day—a good side-wheel steamer—fit to be used as a ferry and transport boat, and suitable for transporting artillery, &c.

Question. What did Captain Phillips say to you about this right of huckstering?

Answer. He did not say anything about it; I did not design that he should have any such privilege with me; I did not know that there was to be any such thing.

Question. You only learned this from other parties?

Answer. That is all.

Question. But when Freeman said he would have to make a more liberal proposition to Phillips, he must have alluded to that when he reduced the amount to \$3,100?

Answer. I suppose so.

Question. Was the shipping business unusually active in the month of April last?

Answer. I do not know that it was, but there were very few unemployed vessels in the harbor at that time of the capacity of this one; there were a number of larger vessels, but unsuited to the service intended.

Question. You heard no intimation from any other person, other than you have stated, that this vessel was worth more than \$20,000?

Answer. I had had a conversation with Corlies about this vessel with a view to another service.

Question. Did not Captain Comstock intimate some opinion as to the value of the vessel?

Answer. I think I told him I thought she could be bought at a bargain, as she was unemployed.

Question. The highest price you knew of Corlies or his agent asking for the vessel was \$20,000?

Answer. He asked more than that for it in the winter.

Question. But \$20,000 was the highest price you heard mentioned?

Answer. No, sir; he said they had been offered \$24,000 for her in February.

Question. But no proposition was made to you by Corlies or his agent for a higher figure than \$20,000?

Answer. His agent did not tell me absolutely that she could be had for \$20,000.

Question. What was the vessel actually worth, taking into consideration the demand for vessels and her age, in the city of New York?

Answer. She was built in 1846, I think; I have not looked at the register lately; she had been thoroughly overhauled two years before; I understood Corlies to say that eleven or twelve thousand dollars had been laid out upon her in two years.

Question. What was her fair cash value in April?

Answer. I think \$18,000 or \$20,000.

Question. Did you hear any intimation from Captain Comstock that she was worth as high as \$50,000?

Answer. I think we had no conversation about the price of the boat then; when we got back to the hotel I do not know but he asked me what they asked for her; and whether I told him or not I do not know.

Question. If he had asked you, you would not have had any motive for not answering?

Answer. I do not know as I would have said to him anything about the price of the vessel; they had built a new vessel and put upon the route, and they did not want the Cataline.

Question. Were you building the propeller, which you speak of, alone, or in connexion with other parties?

Answer. I was building her in connexion with my brother.

Question. What connexion had you with Captain Comstock?

Answer. None whatever.

Question. How long had this vessel been advertised for sale, and how?

Answer. She was not advertised for sale, as I know of.

Question. How did you know that the vessel was for sale?

Answer. Some one of the steamboat men told me, but I am unable to say who he was.

S. W. MORTON.

NEW YORK, *September 4, 1861.*

SAMUEL W. MORTON, being recalled, was examined, as follows :

Examination by Mr. Holman.

Question. What is your best recollection as to the price which you told Captain Comstock the "Cataline" could be purchased for?

Answer. I had a moment's conversation with Captain Comstock in the evening, but I think the price of the boat was not talked about. He asked me if I could get the boat around by morning. That is about all that was said, as he was very busy.

Question. What is your best recollection as to whether you ever mentioned to Captain Comstock the price at which you thought the boat could be purchased?

Answer. I do not know that I ever had any other conversation with Captain Comstock except when we were over at the boat in the morning, and I am not positive that any price was mentioned. I might have said to him that in the winter I could have got the boat for \$24,000, but I do not know that that was said. I do not know why I should have said any such thing.

Question. What is your best recollection as to whether any price was mentioned?

Answer. I cannot be positive about the matter. I have not a distinct recollection enough to answer the question in any other way than I have. I do not know why I should have said anything about the price unless he asked me.

Examination by Mr. Dawes.

Question. How came you the other day to say that he could buy it for twenty or twenty-five thousand dollars?

Answer. I knew what she could have been bought for in the winter.

Question. How came you to tell him that?

Answer. I think I might have said that to him, but I am not certain.

Question. You and he went over in a carriage together to look at the boat?

Answer. Yes, sir.

Question. And examined her?

Answer. Yes, sir.

Question. He knew, as well as you did, that she was for sale?

Answer. He did not know until I told him.

Question. You were on a mission to see a vessel which you both supposed was for sale or charter?

Answer. Yes, sir.

Question. And you both examined her with that view?

Answer. Yes, sir. I had Captain Comstock go along to examine her, and see whether she would answer the purpose. We wanted a

boat of light draught and considerable tonnage. He looked at her with a view to see whether artillery could be driven upon her deck.

Question. Was there any conversation between you and him on the way over, or back, about either you or somebody else purchasing a boat and chartering her to the government?

Answer. I think there might have been some such conversation. I think I told him I thought Crocker would buy the boat, provided it would answer the purpose.

Question. Provided the government would charter her?

Answer. I presume so.

Question. At the time you went over there had you any intention of procuring the boat for any other purpose than to charter her to the government?

Answer. I do not think I had. I had an idea that we could use her at another point, after her charter had expired.

Question. But your present purpose in going over was to negotiate with Corlies for the boat?

Answer. Yes, sir.

Question. Did you at the time you and Captain Comstock went over have any communication with Corlies?

Answer. No, sir. I did not see him.

Question. Did Captain Comstock have any communication with him?

Answer. I think he did not. Certainly not when I was present.

Question. Where was Corlies at that time?

Answer. He was not in his office.

Question. Did you and Captain Comstock have any communication with his agent there?

Answer. No, sir.

Question. Did you, at his office?

Answer. No, sir.

Examination by Mr. Holman.

Question. Have you examined vessels for George D. Morgan, of this city?

Answer. No, sir.

Question. You have a general acquaintance with the boating interest here?

Answer. Yes, sir.

Question. Are you acquainted with Mr. Morgan?

Answer. I think I have seen him; but I do not know that I should know him.

Question. Has his business brought him in connexion with vessels?

Answer. I do not know as I can answer that question. He is one of the firm of E. D. Morgan & Co., sugar brokers. Whether he has any practical knowledge of vessels, I cannot say. I should think not. He has a brother who is a steamship man.

Question. If Mr. Morgan had been so intimate with the shipping of this city as to be well informed upon that subject, you would probably have known it?

Answer. I never knew of Mr. Morgan being to any considerable extent connected with the shipping of this city. It is a pretty difficult matter to ascertain the extent of a man's knowledge upon such a matter.

NEW YORK, *September 4*, 1861.

HIRAM BARNEY was sworn and examined as a witness, as follows:

Examination by Mr. Washburne.

Question. Please state your residence and business.

Answer. I am a resident of the city of New York, and am collector of the port of New York.

Question. State all that you know relative to the clearance of the steamer "Cataline."

Answer. Application was made to me on Saturday morning, the 27th day of April, by Charles A. Stetson, jr., who represented himself to be the purchaser of the steamboat "Cataline," with the papers in his hands to show the purchase, for a change of the marine papers and the issuing of new marine papers to him as the owner. The papers were issued to him. He also demanded the clearance of that vessel to Annapolis. I had understood previously that such a request would be made of me, and that it was for the purpose of carrying out provisions and stores for the soldiers. I asked him how she was loaded, and to whom the cargo belonged. He said she was loaded with flour and provisions, and that the cargo belonged to several of his friends. I told him I could not clear the vessel, and I refused to clear her. He then said the provisions were for the army. I replied that as the cargo was not government property, but property of individuals, I could not clear her; that I had no request from any government officer to clear her, and must refuse. He inquired what certificate or whose request I should require to give her a clearance. I said the certificate of the chairman of the Union Defence Committee that those stores were forwarded by the request of the committee for the government, or for the supply of the troops, and the request of the chairman of that committee to give her a clearance, would, I thought, be sufficient to entitle her to a clearance. He asked me if such a certificate or request from some other party would not answer, and named several persons whose certificate and request he desired me to receive.

Question. Whom did he name?

Answer. Mr. Weed, Mr. Blatchford, and Mr. Draper. Told him I should require the official certificate and request of the chairman of that committee. He went out, and soon after returned with a note from Mr. Weed stating that the cargo of this vessel, "Cataline," consisted of provisions and supplies for the troops, and requesting a clearance. I asked where Mr. Weed was, and said I would explain to him why I could not give the clearance. I went with Mr. Stetson,

jr., to the Union Defence Committee's room, where I found Mr. Weed. Showed him the note, and explained to him why I could not grant a clearance. He said it was all right; and, taking the note, said it would be arranged in some other way. After some conversation with General Dix, the chairman of the committee, I concluded not to give a clearance unless requested to do so by General Wool, as he was the commanding general of the army of the department of the east. I saw General Wool, and stated what had occurred, and requested him to be careful, and investigate every case before he requested me to give a clearance. Afterwards, and on the same day, Mr. Stetson brought me a written request for a clearance from two other persons. I said nothing would do but a request from General Wool, as I had told him before. He went away, saying he would get that request, but I did not see him afterwards. That was about 2 o'clock p. m. on Saturday. I heard nothing more, as I now recollect, about the "Cataline," until the next Monday morning after 9 o'clock, when I received a note from General Wool, saying that he had revoked the pass which he had given the day before to the "Cataline," and requesting me to detain her.

Question. What do you mean by a pass, such as General Wool would give?

Answer. He would give a pass only to a vessel owned or chartered by the government. All other vessels would require a clearance, unless they went under convoy of government vessels, and then they would have a pass. I sent the surveyor immediately down to stop and detain the "Cataline," but he reported that she had already gone to sea.

Question. Did you know of such a pass having been given by General Wool before you received the order revoking it?

Answer. I did not.

Question. Do you know what reason General Wool had for giving that pass to the "Cataline" which he so soon revoked, and why he revoked it?

Answer. I afterwards had a conversation with General Wool upon the subject, but I have only a very indistinct impression of the reasons which he assigned for his action.

Question. Who were the parties who made this application to you for a pass?

Answer. Mr. Stetson first brought me a note from Thurlow Weed, and then from C. W. Sandford, and then a note signed by D. D. Tompkins, assistant quartermaster general, per some clerk.

Question. At the time the application was first made for a clearance for this vessel, was she loaded and ready to proceed to sea?

Answer. I was so informed by Mr. Stetson, jr. I think I was afterwards informed that she was not then loaded.

Examination by Mr. Holman.

Question. What is your best recollection as to the persons mentioned by General Wool who had sought to obtain through his influence a pass for this vessel?

Answer. So far as I recollect he did not mention any person to me.

Question. What reason did he give, if any, for having revoked the pass?

Answer. I do not recollect.

Question. Did he express any regret that the vessel had been permitted to leave the port under a pass which he had given?

Answer. I think he did, but do not recollect his language.

Question. Did he exhibit a perfect indifference about the matter, or was he somewhat excited about the transaction?

Answer. He appeared to be very much annoyed by it.

Examination by Mr. Dawes.

Question. Can you explain why, if the vessel had been chartered by the government at that very time, General Wool should have had any occasion to revoke the pass?

Answer. I can imagine a great variety of reasons.

Question. From your conference with him, what are you able to say upon that point?

Answer. I do not recollect how he expressed himself upon that subject.

Question. Did you infer from your conversation with him that he desired to revoke her charter to the government?

Answer. He said nothing about that, to my recollection.

Question. Did you infer from his conversation that she had been chartered by the government under a misapprehension of some kind?

Answer. Yes. I inferred that the transaction was not satisfactory to him.

Question. The chartering the vessel to the government do you mean?

Answer. I mean the transaction, whatever it was. I inferred the charter or a sale to the government, but do not recollect that General Wool told me she was chartered or bought by the government.

Question. Do you know whether her cargo was the property of the government when she left the port?

Answer. I do not know.

Examination by Mr. Washburne.

Question. Have you any knowledge of the character and value of the "Cataline?"

Answer. I know she was a steamboat that run between New York and New Haven, and that she was a very old boat.

Question. Have you any knowledge of the transaction as to her charter?

Answer. No, sir. I inquired as to her value, and whether she was sold or chartered to the government, and received the opinion of two or three gentlemen as to her value.

Question. What was the value of this steamer, in your opinion, from the information you thus received?

Answer. I have heard her value variously estimated from \$10,000 to \$15,000. From these estimates, I should judge she was worth from \$12,000 to \$13,000.

Question. Can you furnish the committee with a copy of the transfer of this steamer from the previous owner to Stetson, jr.

Answer. I can, and will.

Question. I desire to know whether, as collector of this port, it has been your practice, for the last twelve months, to designate the person who should furnish the supplies for the use of the ships in the revenue cutter service at this port?

Answer. I have been collector here not quite five months.

Question. Have you designated any person to furnish such articles?

Answer. I have not, to my recollection. I understand that those articles have heretofore been furnished upon published proposals and bids.

HIRAM BARNEY.

The following is a copy of the transfer of the steamer "Cataline," above referred to, as furnished by this witness:

To all whom these presents shall come, greeting :

Know ye that I, Margaret G. Corlies, of the city, county, and State of New York, a citizen of the United States, and sole owner of the steamboat or vessel called the "Cataline," of New York, of the burden of $391\frac{4}{5}$ tons, or thereabouts, for and in consideration of the sum of eighteen thousand dollars, lawful money of the United States of America, to me in hand paid, before the sealing and delivery of these presents, by Charles A. Stetson, jr., of the city, county, and State of New York aforesaid, the receipt whereof I do hereby acknowledge, and am therewith fully satisfied, contented, and paid, have bargained and sold, and by these presents do bargain and sell, unto the said Charles A. Stetson, jr., his executors, administrators, and assigns, the whole of the said steamboat or vessel, together with all the boilers, engines, apparatus, tackle, furniture, the masts, bowsprit, sails, boats, anchors, cables, and all other necessities thereunto appertaining and belonging; the certificate of enrolment of which said steamboat or vessel is as follows, to wit:

ENROLMENT.

PERMANENT.

No. 57.

Enrolment in conformity to an act of Congress of the United States of America, entitled "*An act for enrolling and licensing ships or vessels to be employed in the coasting trade and fisheries, and for regulating the same.*"

Margaret G. Corlies, of the city, county, and State of New York, having taken or subscribed the affirmation required by the said act, and having affirmed that she is a *citizen* of the United States, and sole owner of the steamboat or vessel called the Cataline, of New York, whereof Leonard T. Coles is at present master, and, as he hath sworn, is a citizen of the United States, and that the ship or vessel was built at New York, in the State of New York, in the year 1844, as per enrol-

ment No. 54, issued at this port on the 26th June, 1852, now cancelled, property changed. And said enrolment having certified that the said ship or vessel has one *deck* and no *mast*, and that her length is one hundred eighty-four feet, her breadth twenty-five feet two inches, her depth eight feet nine inches, and that she measures three hundred ninety-one $\frac{4}{9}\frac{5}{8}$; and that she is a square-sterned steamboat, has a round tuck, no galleries, and a billet-head. And the said Margaret G. Corlies having agreed to the description and admeasurement above specified, and sufficient security having been given according to the said act, the said steamboat has been duly enrolled at the port of New York.

Given under our hands and seals, at the port of New York, this 12th day of July, in the year one thousand eight hundred and fifty-eight.

To have and to hold the said steamboat or vessel, and appurtenances thereunto belonging, unto him, the said Charles A. Stetson, jr., his executors, administrators, and assigns, to the sole and only proper use, benefit, and behoof of him, the said Charles A. Stetson, jr., his executors, administrators, and assigns forever. And I, the said Margaret G. Corlies, have promised, covenanted, and agreed, and by these presents do promise, covenant, and agree, for myself, my heirs, executors, and administrators, to and with the said Charles A. Stetson, jr., his heirs, executors, administrators, and assigns, to warrant and defend the said steamboat or vessel, and all the other before-mentioned appurtenances, against all and every person and persons whomsoever.

In witness whereof, I have hereunto set my hand and seal, at the city of New York, this 24th day of April, one thousand eight hundred and sixty-one.

MARGARET G. CORLIES. [SEAL.]

Sealed and delivered in the presence of—

H. H. RICE, *Notary Public*.

Recorded April 27, 1861.

J. B. GREGG, *Clerk*.

I hereby certify the within to be a true copy of the original on record in this office.

Given under my hand and seal of office this 9th September, A. D. 1861.

GEO. EMBREE, *Deputy Collector*.

NEW YORK, *Sept.* 5, 1861.

SIMEON DRAPER, being duly sworn, was examined as follows :

Examination by Mr. Dawes.

Question. Will you state to the committee what you know about the steamer "Cataline?"

Answer. My knowledge of the "Cataline" is from hearsay merely, except that I knew her as a steamboat about the harbor here.

Question. How long had you known her as such?

Answer. For many years.

Question. Do you know anything about her value?

Answer. Not from personal knowledge. Upon inquiries I made, I found the estimates of her value varied from five to eighteen thousand dollars.

Question. What was there peculiar about her which rendered her so cheap?

Answer. Her age, I suppose. I understood that she was eighteen years old.

Question. Do you know enough about her to know whether there was any peculiarity in her build which rendered her valuable?

Answer. No, sir.

Question. When did you first know her in connexion with the transportation of government supplies?

Answer. At the time she was suffered by General Wool to go out of the harbor. I understood she was loaded, and that application was made to the Union Defence Committee for a loan of some bread, or something of that kind, for her.

Question. A loan of bread as part of the cargo?

Answer. It was supposed to have been wanted for the government.

Question. By whom was application made to your committee for that purpose?

Answer. The application was made through Mr. Wadsworth.

Question. By whom was the application made to Mr. Wadsworth?

Answer. By the owners of the boat, as I understood.

Question. Do you know the particular individual who made the application?

Answer. Mr. Stetson, jr., of the Astor House. The application was made in my presence, at the same time that application was made to permit her to pass as a government vessel.

Question. What amount of bread was applied for?

Answer. One hundred and fifty barrels, I believe.

Question. What proposition was made as to pay, or was the bread to be returned in kind?

Answer. To be returned in kind.

Question. Who did Stetson profess to be acting for?

Answer. He did not state. Wadsworth supposed he was acting indirectly for the government, under the direction of the Secretary of War.

Question. You say this was at the time that application was made to General Wool for permission to pass after she was loaded?

Answer. Yes, sir.

Question. Do you know who were the owners of the cargo of that vessel when she did pass?

Answer. I do not; I heard different stories.

Question. What information had you upon the subject of the ownership of her cargo?

Answer. No other information than what I heard.

Question. What was that?

Answer. It was, that the cargo was at first put on board as a speculation, but that afterwards it was turned in and applied for government purposes; that it was taken off their hands by Cummings and parties at the Astor House—parties authorized by the government.

Question. Was it taken off their hands before the vessel left the harbor?

Answer. My impression was that it changed hands before that.

Question. You heard that the cargo was originally put on board as a private speculation.

Answer. That was the information I got, but I was not interested to know any of the particulars.

Question. Then at the time the vessel was brought around to the pier and loaded she had not been chartered by the government.

Answer. I do not know.

Question. Do you know anything about the circumstances under which she was chartered by the government?

Answer. No, sir.

Question. Do you know who the parties were who purchased in the market and loaded this vessel?

Answer. I do not. I heard at the time that it was bought by gentlemen at the Astor House, and I suppose it was by order of the government.

Question. At that time was there any difficulty in procuring vessels for the government such as it then needed.

Answer. I think no great difficulty.

Question. Was there any necessity for the government to pay exorbitant prices for vessels at that time?

Answer. Well, sir, about that time—the 22d or 23d of April—I had a telegraph from the governor of Massachusetts asking me to send forward the troops from that State.

Question. That was before the Cataline left.

Answer. Yes, sir; his telegraph to me was to provide for the troops, and to send them off by vessels.

Question. Did you find any difficulty in procuring vessels?

Answer. None whatever.

Question. What prices did you pay?

Answer. I had this difficulty about the price: vessels of the character I required were not plenty.

Question. But those were different vessels from the "Cataline."

Answer. Entirely; the one is an old river steamer, and the others were large, new, sea-going steamships.

Question. Could you have got steamers as good as the Cataline?

Answer. Plenty of them; none worse, I suppose, from her general character. The price paid for the others was exorbitant for a short trip—\$1,500 each per day.

Question. You were present when application was made for a pass for the Cataline.

Answer. Yes, sir.

Question. Was the application made to General Wool for a pass for a steamer chartered by the government?

Answer. I think not.

Question. What concern, then, had General Wool with giving a pass to a vessel not in the employ of the government?

Answer. The collector of the port had given a general order to prevent all vessels going out without an examination.

Question. Did General Wool give passes to any vessels except those in the employ of the government?

Answer. I think not. There seemed to have been some difficulty about this vessel going out.

Question. Do you know anything about General Wool's attempt to revoke the pass which he had given?

Answer. I think he did send to have it returned, and that he required an explanation.

Question. What was the occasion of that?

Answer. I do not know.

Question. At the time this vessel was loaded, what was the business of this Union Defence Committee?

Answer. Our relations were to the city of New York; and according to resolutions passed we were to aid in forwarding troops, and in furnishing them arms, ammunition, and necessaries.

Question. Had the committee any connexion with this vessel or with its cargo?

Answer. None whatever.

Question. What, in your opinion, would have been a fair monthly compensation for that vessel at that time?

Answer. I should think \$1,250 or \$1,500, exclusive of fuel.

Question. Do you know what Captain Comstock had to do with the government at that time?

Answer. Nothing, I think, except through the agency of Mr. Weed and Mr. Cummings. But I do not know anything about it.

Question. What was that agency?

Answer. My opinion is, that Captain Comstock was employed by them for the purpose of selecting and making arrangements for chartering vessels.

Question. Employed by Weed and Cummings?

Answer. That was my impression; under authority of the Secretary of War.

Question. Does the letter of the Secretary of War to Mr. Cummings bear date previous to that time?

Answer. Yes, sir.

Examination by Mr. Washburne.

Question. By whom was this Defence Committee created?

Answer. By the citizens of the city of New York in public meeting assembled.

Question. Consisting of how many individuals?

Answer. Twenty-five.

Question. For what purpose?

Answer. The resolutions specified for dispensing whatever funds came into their hands by subscriptions or otherwise.

Question. Had it anything to do with the general government?

Answer. Nothing whatever.

Question. Did you make any contracts for the government?

Answer. None.

Question. The funds you disbursed were voluntary subscriptions?

Answer. A million of dollars was given by the city, and a resolution was passed placing the funds in the hands of the committee, and confining its disbursement to the furnishing of arms, the sending forward of troops, &c. We performed that duty and are still performing it.

Question. You expect to get that money back from the United States?

Answer. If the United States thinks it just to pay it back we shall get it. We did not make any disposition of it with that view.

Question. Do you know anything about the chartering of these various vessels by the government?

Answer. No, sir; I chartered two vessels to convey forward the Massachusetts troops.

Question. What did you pay for those vessels?

Answer. They were very large steamers, the "Minnesota" and the "Ariel," and I paid \$1,400 a day for each of them.

Question. Did the government afterwards purchase the "Minnesota?"

Answer. Yes, sir; and spent \$180,000 for her.

Question. You paid \$1,400 a day?

Answer. I did not make any bargain. I told the owners we must have the vessels, and we would pay what was right. We afterwards left the State of Massachusetts to settle her own account, and they got off \$100 a day from what the owners wanted, which was \$1,500, and which was the price of vessels of a similar character.

Question. You say this Union Defence Committee had no connexion whatever with government contracts?

Answer. None whatever.

Question. Nor any of the individual members of it?

Answer. I do not know as to that, but I do not believe a member of the committee has ever had one dollar's transaction outside of the committee in relation to anything connected with the chartering of vessels, the purchasing of supplies, or in any way used the credit and power of the government in any way or shape.

Question. Do you know anything in relation to an application made to the collector by that committee, or by any member of it, in reference to his letting certain vessels go to sea without any regard to clearances, or without reference to time, whether night or day?

Answer. I do not.

Question. Did the Union Defence Committee load any vessels with provisions?

Answer. Yes, sir; they loaded, in the first place, the "Kill Von Kull" with \$15,000 worth of provisions. Mr. Wadsworth purchased them.

Question. Had that transaction any connexion with the government?

Answer. No, sir; but the government afterwards paid for the provisions.

Examination by Mr. Holman.

Question. Was application made to you for your influence to obtain a clearance for the steamer Cataline?

Answer. I believe there was at that time.

Question. Do you remember what action you took upon the subject?

Answer. I never took any action whatever. I think the only party that had anything to say about it was General Wool, and that was with Mr. Grinnell.

Question. What connexion did Mr. Cummings have with the Union Defence Committee?

Answer. None whatever.

Question. Was Weed a member of that committee?

Answer. He was not.

Examination by Mr. Fenton.

Question. You spoke of twelve or fifteen hundred dollars a month being a fair compensation for the charter of this steamer Cataline, exclusive of coal. Do you in that estimate calculate that the parties chartering the vessel to the government furnish the hands?

Answer. I mean twelve or fifteen hundred dollars a month for the use of the boat alone, the government furnishing everything. My judgment is based upon my experience in chartering vessels, and I presume that vessels equal to the Cataline could have been got even at a lower rate than that. I think that would be a good price under the circumstances.

Question. By whom was the Coatzacoalcos chartered for the government service?

Answer. I do not know. The Union Defence Committee had nothing to do with it.

Examination by Mr. Holman.

Question. What would be the probable cost of coal per month for the Cataline, supposing steam was kept up constantly?

Answer. I do not know, as I do not know how much she would consume.

Question. What would the coal cost per ton?

Answer. It would cost \$4 15 here.

Question. How much would it cost at Annapolis?

Answer. I do not know. The freight from here would be three dollars a ton or more.

Question. No member of your committee had any connexion with the expenditure of money upon the part of the government, or in making contracts for the government?

Answer. No, sir.

Question. And if large sums of money were expended by other parties appointed in the city of New York during the early period of our present difficulties, your committee had no connexion with them?

Answer. We were not allowed to have any connexion with the government. I do not think any member of the Defence Committee was cognizant of any such transactions.

Question. You do not think any member of your committee has had any transactions with, or sold any vessels to the government since the breaking out of the war.

Answer. I heard that Moses Taylor sold a vessel to the government the other day.

Question. Is he a member of the committee?

Answer. He was and is now.

Question. What vessel was that?

Answer. I do not know.

Question. Who was the agent purchasing for the government?

Answer. Geo. D. Morgan.

Question. He was not connected with that committee.

Answer. No, sir; I do not think any member of the committee has had as much intercourse with gentlemen connected with the government as would consume five minutes.

Question. The committee acted upon their own hook.

Answer. We did, and paid for what we did out of our own money. We had no government money except the \$15,000 paid for the cargo of the "Kill Von Kull" and the cargo of the "Kadir."

Examination by Mr. Dawes.

Question. When was this cargo of the "Kill Von Kull" sent?

Answer. Some time in April, I think.

Question. It originally belonged to the Defence Committee.

Answer. Yes, sir; it was ours when we put it upon the boat; it was put on board to be sent to Annapolis; at that time the troops required many things they could not get, and we handed the cargo right over to the government there.

Question. Who obtained the "Kill Von Kull"?

Answer. Mr. Wadsworth.

Question. Do you know what he paid for her?

Answer. I do not remember.

Question. He chartered her for the special purpose of taking that cargo.

Answer. Yes, sir; and after the cargo was distributed and the proper vouchers received from the government they took the vessel off our hands.

Question. And the enterprise was entirely with the Defence Committee until it was closed.

Answer. Yes, sir.

Question. And if the government paid for the charter of the vessel it simply paid what you paid.

Answer. That is all.

Question. Mr. Cummings got linked in with that matter, how was that?

Answer. During the time that supplies were obliged to be sent round by Annapolis by vessels a commission was created for the purpose of

facilitating the forwarding of troops and provisions, and \$2,000,000 was placed in their hands.

Question. Who constituted the commission?

Answer. Dix, Opdike, and Blatchford; they were appointed a committee to pay Cummings's bills.

Examination by Mr. Holman.

Question. What did you understand were the particular duties of Cummings under his appointment?

Answer. We were given to understand that he was acting at that time as a sort of commissary general the War Department removed to New York for a special purpose.

Question. State some of the duties which he did perform in this city.

Answer. The duties we understood he performed were, the purchase and chartering of vessels, and the purchasing of everything which was required by the War Department.

Question. What government officer in this city would ordinarily, and what officer had previously performed that class of duties?

Answer. Assistant Quartermaster D. D. Tompkins.

Question. Was he an efficient officer?

Answer. He is an experienced officer, and has been in the army for a long time.

Question. Can you state how long this extraordinary commission of Cummings's lasted?

Answer. I do not think over sixty days.

Question. For a time sufficiently long to enable him to dispose of all the money?

Answer. No, sir; the Secretary of the Treasury revoked the power before the expenditure of quarter of it.

Question. Upon what ground?

Answer. Upon the ground, I suppose, that the necessity for the commission had passed; and the money went back into the treasury.

Question. Mr. Cummings, however, continued to act after the revocation of the power by the Secretary of the Treasury?

Answer. Yes, sir.

Question. Does he continue to exercise his extraordinary functions up to this time?

Answer. I have no knowledge of it, if he does. I understand he has more or less to do with the department, but I do not know anything about it.

Question. What other gentleman in this city has been largely connected with the purchase and chartering of vessels in this city for the government?

Answer. I understand George D. Morgan.

Question. You have stated that under ordinary circumstances the assistant quartermaster located in this city would make such purchases; has Mr. Morgan, by reason of his previous occupation and the nature of his employment, any peculiar fitness for this business?

Answer. I have no knowledge of his capacity for that particular

business. His business has been that of a grocer and sugar refiner. I suppose he does not know anything more than most smart Connecticut men do. They soon learn almost anything.

Question. His qualification, then, was the qualification common to all Connecticut men?

Answer. Yes, sir; precisely. I always thought it took a smart man to sell sassafras nutmegs, and an ignorant man to buy them.

Question. State whether there was anything peculiar in the quartermaster's department, or in the efficiency of its officer, which led to the creation of another commission for the performance of its duties?

Answer. I have no idea that the creation of that commission was at all necessary. I think if there had been efficiency in Washington we should have had efficiency here. Men who are in the employ of the government, and who have had nothing to do but to manage the affairs of the government, know best how to perform those duties; and if auxiliary aid is necessary, they know where to get it.

Question. Are you acquainted with Commodore Breese, of the navy yard here?

Answer. I know him.

Question. What are his qualifications for the examination and purchase of vessels—in other words, what difference would there be between a gentleman in his position in the inspection and purchase of vessels upon favorable terms and a gentleman engaged in an entirely different department of business?

Answer. I think he is a competent man in every respect. His integrity is unquestioned, and his efficiency is equal to the position he holds, and, I presume to say, as able as any man of his age to carry out the commands of the government in that respect.

Question. If he had at one time been authorized by the Navy Department to charter and purchase vessels, will you state any cause which sprung up afterwards to induce the Navy Department to supercede him and employ a gentleman engaged in the sugar business?

Answer. I do not believe there was by that change any additional strength given to that particular branch of the business. On the contrary, I think it would have been much better to have left the business in Commodore Breese's hands.

Question. Could the public interest have been promoted in any way by superceding the authority of Commodore Breese to purchase and charter vessels, and appointing some other person?

Answer. I think not. I think auxiliary aid could have been obtained through him which would have been of benefit to the government, without any additional expense.

Question (by Mr. Washburne.) Do you know the reason why he was superceded?

Answer. I never heard any reason, except it was to give employment to a brother-in-law of the Secretary of the Navy.

Question. Was Mr. Morgan out of business?

Answer. He went out of business about the time of his appointment.

Question (by Mr. Fenton.) He was a partner in business with Governor Morgan?

Answer. Yes, sir; and he dissolved his connexion with the firm

of E. D. Morgan & Co. immediately after he was appointed to buy ships.

Question. Do you know of any reason, connected with the public interest, for his employment?

Answer. I do not believe the country would have suffered if he had not been appointed.

Question. Do you think the government suffered by his employment?

Answer. I have no doubt he made good bargains.

Question (by Mr. Washburne.) What commissions did he receive?

Answer. Two and a half per cent. out of the seller.

Question. And the larger the price Mr. Morgan pays for a vessel the more he gets?

Answer. Of course.

Question (by Mr. Fenton.) How many millions of dollars have passed through his hands?

Answer. I do not know.

Question. The arrangement by which the agent of the government was to be compensated by the seller was made by the Navy Department itself?

Answer. I understand that was the order of the Navy Department.

Question (by Mr. Washburne.) If Commodore Breese had been retained as the agent of the government to perform these duties, it would not have been necessary to have paid the commissions?

Answer. No, sir.

Question (by Mr. Holman.) In what manner was Mr. Cummings paid for his services to the government?

Answer. I do not know; I suppose it was a patriotic duty he was to perform.

NEW YORK, September 5, 1861.

HENRY H. LEEDS, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State your residence and the character of the business in which you have been engaged during the last twelve months?

Answer. I reside in the city of New York, and am one of the firm of H. H. Leeds & Co., auctioneers. I have been engaged in that business sixteen or seventeen years.

Question. State what knowledge you have of the steamboat "Cataline," and the information you have as to her value during the last twelve months.

Answer. One Henry S. Eytinge, then a resident at No. 133 Eighth street, in this city, and subsequently at the Pacific Hotel, Brooklyn, for a loan of \$5,000 upon this steamer "Cataline."

Question. State, in this connexion, whether the making of such loans was in the line of your business.

Answer. Not exactly.

Question. You were sometimes in the habit of making such advances?

Answer. We make loans upon anything we can make money out of. Perhaps that may be said to be strictly in the line of our business, as we advance upon almost everything.

Question. What was said, at that time, as to the character and value of the boat?

Answer. This Eytinge applied to us for a loan of \$5,000 on the boat, and stated that the security was ample for the loan, as the "Cataline" was worth ten or fifteen thousand dollars. I told him that was not exactly in our line of business. He said he would make it advantageous to us by giving an extra commission, or something of that kind.

Question. What was your judgment as to the character of the security, and what intercourse had you with other parties touching the vessel at that time?

Answer. I spoke to my junior partner, Allen B. Miner, about it, and he advised me to have nothing at all to do with the vessel, stating that she was an old rat-trap of a vessel that had been running up the sound, and that there was danger that she would not hold together long, or something to that effect. I myself made a journey in her with my family a little over two years ago, and I was very uneasy all the while in relation to the vessel. I did not like her looks at all, and I told my family so, and that they had better come and get into the stern of the boat and sit there. I went down to look at the machinery, and though I did not know anything about machinery, there was an uneasiness in my mind about her safety, and I said that if I ever got ashore I would never go on board of her again.

Question. What is your opinion as to her value?

Answer. I am not competent to judge upon that point, but I should not say she would have brought \$10,000 at auction at any time during the last two years.

Question. Do you know anything about the circumstances of her sale to the government?

Answer. I do not.

NEW YORK, *September 5, 1861.*

JAMES COCHRANE, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State your residence and the character of your business.

Answer. I reside at No. 8 West Tenth street, in this city. I am an engineer by profession.

Question. Has your business at any time brought you in connexion with the steamboat "Cataline?"

Answer. I have a general knowledge of the vessel.

Question. How long have you known her?

Answer. I should say about fifteen years.

Question. What was the character of that vessel in the month of April last?

Answer. I should not be willing to go in her from here to Norfolk without first inspecting her, as I do not consider her a seaworthy vessel.

Question. What is your judgment as to the value of that vessel last April?

Answer. I make up my judgment in this way: the "North America" was sold last winter for \$6,000, and I should say the "Cataline" was worth about one-third that of the "North America."

Question. How long have you been engaged in the business of engineering?

Answer. From the time I was 17 years of age, and I am now 51 years old.

Question. Have you, during any portion of that time, been employed as an engineer in the service of the United States?

Answer. Yes, sir.

Question. What is your judgment as to the cash value of the "Cataline" when she was chartered to the government on the 25th of April last?

Answer. At the outside her value could not have exceeded \$5,000.

Question. Was she peculiarly well adapted to the purpose for which she was chartered to the government?

Answer. I should have hesitated to have gone to Norfolk in her without an examination of her.

Question. Have you any knowledge of the circumstances under which she was chartered to the government?

Answer. No, sir.

Question. Do you know what cargo and stores she transported from this city to Annapolis?

Answer. No, sir.

Question. What knowledge have you, if any, of any other vessels which have been purchased or chartered by the government since the commencement of our present national difficulties?

Answer. Not any.

Question. Have you any knowledge of any contracts made with the government of the United States during the past three months either for naval or other stores?

Answer. Only hearsay knowledge, and that in reference to gunboat contracts.

Question. What do you know about them?

Answer. The manner in which the gunboats are constructed will render them wholly useless, and the use of vessels of that description will be an injury rather than a benefit to the government.

Question. When was the contract to which you now refer made, and where are the boats being constructed?

Answer. I do not know when the contract was made. One of the boats was launched at the foot of Tenth street, and now lies at the Novelty Works in this city.

Question. How many of them are being constructed?

Answer. A number, I understand. I do not know how many.

Question. What, in your judgment, is the defect in their construction which will render them useless?

Answer. The most objectionable feature is that the boilers project above the water line. The patent condenser, also introduced into them, is another objectionable feature. In my opinion the boats will be a failure, so far as answering the purposes for which they are designed.

Question. Do you know anything of the contract under which those boats are being built; and do you know who the contracting parties are?

Answer. I do not. I think any person who agreed to build those boats, and buy the patented arrangements in them from the patentees, and then warrant the performance of the boat, has the hardest bargain I ever knew of; very few persons dared touch them upon those conditions. Honorable persons would not touch such a contract unless they knew how far and how easily they would be let off in case of a failure.

Question. Do you mean by your remarks that the patented articles used in these boats have not been sufficiently tested to determine whether or not they are valuable?

Answer. Yes, sir; and particularly the Sewell's condenser has not been tested sufficiently to warrant its introduction into such vessels.

Question. You think that the necessity of warranting the success of those patented articles prevented a fair competition for the construction of these gunboats?

Answer. Yes, sir.

Question. At what price are they being constructed?

Answer. For \$45,000 for the engines and \$90,000 for the hull.

Question. If the vessels were contracted for to be constructed upon well established principles, and with machinery well tested, could they have been constructed at a less price?

Answer. I would guarantee to construct a more efficient engine for \$30,000, and to build it in 60 days.

Question. Are fresh water condensers hazardous?

Answer. They are all hazardous.

Question. How long were you engaged in the service of the government as engineer?

Answer. Seven years.

Question. Is that a department of business with which you are necessarily familiar from a long life of experience?

Answer. I do not think there is any person more intimate with the running of steam engine machinery. I am not a constructor of machinery. I am the music maker—the *fiddler*, and not the *maker* of the fiddle.

Question. Who is the owner of this patent condenser?

Answer. Mr. Sewell, I think.

Question. Is he engaged in building any of these vessels?

Answer. No, sir; I think not.

Question. Who are the contractors?

Answer. Various parties. I think Mr. English is the contractor to build the boat which was launched at 10th street.

Question. Do you know any person except Sewell who is interested in his patent?

Answer. I do not.

Question. Do you know of any contracts made by the government during the last three months for naval or other stores, or for the purchase of vessels, which were made through the intervention of third parties, instead of with the owners of the property furnished to the government?

Answer. I do not; but I am under the impression that all of them are made through third parties.

Question. Compelling the government to pay not only legitimate prices, but a profit to the intermediate speculator?

Answer. Yes, sir; and these profits often amount to as much as the value of the articles furnished.

Question. Do you know of any of the agencies through which the contracts for the construction of these gunboats were obtained by the contractors?

Answer. No, sir; but I know a particular friend of mine, Mr. Delemater, who, when I asked him why he did not get hold of some of these contracts, replied that he had no favor with the parties giving out the contracts, and that he would not make a contract guaranteeing that the Sewell condenser would work; that he could build engines, upon well tested principles, which would beat the engines which are put into these boats four or five miles an hour, and with less fuel.

Question. Do you know whether or not these contracts have been let to actual builders?

Answer. I do not, as to all of them.

NEW YORK, *September 25, 1861.*

EDMUND COFFIN, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. State your residence, and the nature of your business?

Answer. I reside at Irvington, Westchester county. My business is at 27 Nassau street, in the Bank of Commerce building. I am a broker.

Question. Had you anything to do with the negotiation for the purchase of the steamboat Cataline?

Answer. No, sir.

Question. Were you ever applied to in relation to her?

Answer. I made a loan of \$5,000, for a party, upon the Cataline. I was subsequently, after she was sold, called upon to go to an office in the Evening Post building to receive my money back. I there met some gentlemen who first informed me that she had been sold.

Question. For whom did you make the loan?

Answer. For J. W. Corlies.

Question. That was previous to the change in the ownership of the boat?

Answer. Yes, sir; she then stood in the name of Margaret Corlies, and Robert Hadock, assignee.

Question. Who paid the loan?

Answer. I met at Develin's office, the place I have mentioned, gentlemen who were transacting the business in reference to the sale of the boat. I made up my account, and agreed with Robert Haydock that he should receive the money for me. He did so.

Question. Who were present in the office.

Answer. Miss Margaret Corlies, Robert Haydock, and the partner of Mr. Corlies, Mr. Tefft. George W. Corlies, half an hour before this, called upon me and informed me that a sale had been made; wished me to make up my account and come to the office of Develin, over the Evening Post. The papers could not be got through that day. After ascertaining that fact I left the account, which I had made up, with Mr. Haydock. He received the money, and I got it in two or three days.

Question. Do you know anything about that sale of Corlies to those other parties?

Answer. No, sir. I made an advance upon the steamer Cataline, but I do not know anything about her value.

Question. Did you make the advance without having any such knowledge?

Answer. I went to the Union Insurance office, where she was rated, and I understood there how she stood upon the book. There was an indebtedness from Geo. W. Corlies to another party of \$1,000, with interest, amounting to \$1,100 and odd. I was solicited by this party to get that \$1,100 from Corlies, the owner. I then made an advance of \$5,000 from this party to Corlies, on condition that that, with the \$1,100, should be made the first lien upon the Cataline. The whole transaction was for the purpose of getting security for the \$1,100.

Question. Do you know anything about subsequent transactions connected with the Cataline?

Answer. Nothing at all.

Question. Do you buy and sell ships?

Answer. No, sir; but I have owned interests in ships.

Question. You are not what is called a ship broker?

Answer. No, sir.

Question. There are men in this city who buy and sell ships as their business?

Answer. Yes, sir. When I made the loan the agreement was that I should sell the boat at the expiration of the time for which the money was loaned, if it was not paid before.

Question. Have you ever heard anything said about the parties con-

nected with the loading of that boat, immediately after she became the property of Develin?

Answer. I never heard anything about her being loaded.

NEW YORK, *September 25, 1861.*

ISAAC O. PHILLIPS was recalled and examined, as follows :

Examination by Mr. Washburne.

Question. Was the steamer Cataline loaded after you took charge of her?

Answer. Yes, sir.

Question. Who loaded her?

Answer. I cannot say.

Question. I understand that you took the steamer round from the East river to a dock on the North river?

Answer. Yes, sir. I have no idea who bought the cargo. Carmen brought down the goods, and we gave them receipts. One carman came from one place, and one from another.

Question. Have you no information upon that subject?

Answer. Mr. Develin asked me how much load I could take. I told him it was uncertain ; that I was going to get coal in, and then I would take as large a cargo as I thought prudent.

Question. State how many tons of cargo you took.

Answer. I cannot tell. I think we had, in bulk, about 1,500 barrels of dry stores. We also had 18 head of cattle on deck.

Question. Of what did that cargo consist?

Answer. Of bread, flour, beef, pork, tobacco, &c., &c.

Question. And you have no idea who shipped them?

Answer. I have not. I had no bills of lading.

Question. All you did was to give the carmen receipts?

Answer. Yes, sir ; receipts for the goods delivered by them. The carts are all numbered, and we gave receipts for the goods which came down from the different stores.

Question. Did you have conversations with anybody as to where this cargo was coming from, and who was to bring it?

Answer. Develin told me to take as much government stores as I thought prudent.

Question. Did he not tell you who would send them aboard?

Answer. No, sir ; I received them, and that is all I know about them. Some, I suppose, came from the bread bakers, some from tobacco-nists, &c., &c.

Question. How did you know when you got through receiving all the stores?

Answer. I took on as many goods as I thought prudent, and then I reported to Develin, the lawyer, that I could not take any more.

Question. What did he say?

Answer. He said I was to take no more than I thought I could take prudently. He said then he wanted to put those cattle aboard.

Question. Who wanted to put them aboard?

Answer. Develin; he was the managing man. I did all my business with him until he gave me written instructions to go to Freeman.

Question. Was that after the cargo was taken on board?

Answer. The cargo was coming on board at that time.

Question. What did you do with the cargo after you arrived at Annapolis?

Answer. I delivered it to the authorities there.

Question. What authorities?

Answer. I reported myself to Gen. Butler.

Question. What did you report to him?

Answer. The steamer Cataline loaded with government stores. My letter of instruction was to report to the officer in command at that station.

Question. From whom did that letter of instructions come?

Answer. From John E. Develin.

Question. What was done after that?

Answer. General Butler sent an officer to attend to the matter. They received the stores, and then sent me down to lighten some ships.

Question. Did you discharge all the goods there?

Answer. Yes, sir; cattle and all.

Question. From whom did you take a receipt?

Answer. From a clerk on the wharf, who attended to receiving the goods.

Question. In whose name, and what kind of a receipt did he give?

Answer. He gave no receipt at all. He checked off the goods as they were delivered.

Question. Then what had you to show to Develin that you had delivered the cargo according to instructions? Would it not have been in the regular mode of business to have taken a receipt?

Answer. Develin sent to these parties at Annapolis a list of the goods shipped overland, and they knew before I arrived there what goods I had on board.

Question. Do you know of any one man to whom you made this delivery?

Answer. Yes, sir; Mr. De Forest, the commissary at that post. He sent a clerk to the boat to take charge of the goods; he had a schedule of what had been shipped. We could not get any bills of lading because we were not in the position of common carriers.

Question. Why?

Answer. I do not know; but it was said that we did not need any. When I arrived at Annapolis and reported to the proper officers there, they sent down a man with a letter containing a statement of what I had on board.

Question. Do you know who paid for the cargo there?

Answer. No, sir.

Question. Did you have a clerk on board of your boat?

Answer. No, sir.

Question. In what capacity did Larkin act?

Answer. He was only a passenger. Develin asked me to take him. He said if I would take him down he might be of some service to me, and if he was not it would cost me nothing.

Question. State whether or not Larkin acted as clerk.

Answer. He did not. When I got to Annapolis I asked General Butler to give him a position to receive and discharge goods which we took on board for the government. He turned Larkin over to De Forest. After our cargo was landed, De Forest gave Larkin an order to go down and receive those goods from the steamers we were ordered to lighten.

Question. Where is Larkin now?

Answer. In prison.

Question. For what?

Answer. As I understand it some young man had been in company with Larkin drinking, and he, probably in a joking way, made some remark about the burning of the steamer Cataline, for which he was arrested. A rather serious joke it proved to be.

Question. Has he been bound over?

Answer. He is still in prison, and has not yet had a preliminary examination.

Question. When does he have it?

Answer. It is appointed for Friday, at one o'clock. His friends have made arrangements to take the matter out of the district court and bring it before the supreme court.

Question. For what purpose was Larkin put on board the boat?

Answer. I cannot say.

Question. Did you ever know him before?

Answer. No, sir; I think the parties wanted to do something for him. He had been keeping a hotel out west somewhere; I think in St. Lawrence county, in this State.

Question. Is he a young man?

Answer. About 40 or 45 years of age.

Question. Would he be likely to state that he set fire to the boat if he did not do it?

Answer. To take a common sense view of the matter, it is not likely that a man would say what he knew would put him in prison.

Examination by Mr. Dawes.

Question. When did you learn that the Cataline was chartered to the government?

Answer. I believe I have stated before that I could not exactly remember.

Question. Was it before or after you agreed to take charge of her?

Answer. Before, I think.

Question. Who did you learn it from?

Answer. I made all my arrangements with Develin.

Question. Did you ascertain that she was chartered to the government before she was loaded?

Answer. Yes, sir.

Question. Then she was under charter to the government?

Answer. Yes, sir.

Question. What business had Develin to concern himself about what she carried, if she was under charter to the government?

Answer. I supposed he was our lawyer.

Question. The government lawyer?

Answer. No, sir; but our lawyer.

Question. What business had he to concern himself as to what kind of materials the vessel carried if she was chartered to the government? Had he anything to do with the government stores?

Answer. I do not know that he had, unless it was to give me instructions for the parties interested.

Question. What position did he occupy towards the government which would authorize him to give instructions what to do with government stores?

Answer. He was one of the owners of the vessel.

Question. But after the government had chartered the vessel, what business had he to give you instructions where to go with government stores?

Answer. I cannot say, except the charter party stated that the master should use his own discretion in loading as to the proper quantity.

Question. Did your charter party to the government require you to take your orders from the government as to what you should do with the government stores, or from some private individual?

Answer. We had an order from Develin.

Question. Did your charter party require you to take your orders, as to the disposition of the government stores, from a government officer or from a private individual?

Answer. I had to conform to the charter party.

Question. What did the charter party require of you in that respect? Did it require you to take your instructions, as to your destination of the government stores, from a government officer or from a private individual?

Answer. After I left here and arrived at Annapolis I was subject to the orders of the quartermaster, or major general, at any post I might be at.

Question. From whom did you get the instruction that after you left here you should receive your orders from government officers?

Answer. From Mr. Develin; his letter of instructions to me was that after I arrived at Annapolis I should do so and so.

Question. What authority had any private individual over the government stores at all?

Answer. I suppose that Develin had made an arrangement to carry those government store around to Annapolis and to deliver them there.

Question. Did you understand that Develin had contracted with the government to take the stores to Annapolis, or simply to furnish the government with a ship to take their own stores in?

Answer. All I know about it is that I had orders from him to take those stores to Annapolis, and to report myself to the department there.

Question. Was your charter of \$10,000 a month to commence after you got to Annapolis?

Answer. It commenced on the 25th day of April.

Question. If you were in the employ of the government to take stores on your ship under the government and under pay from the government, what had Develin after that to do with giving you directions?

Answer. I took instructions from him because no other parties showed themselves.

Question. Did you take orders from Develin because nobody else was around?

Answer. Yes, sir.

Question. And you were under charter to the government?

Answer. Yes, sir.

Question. And had nobody to give you orders but the owners of the ship?

Answer. Nobody else; I never received any order from anybody but the agent and Mr. Develin previous to my leaving here for Annapolis. After I arrived at Annapolis I went to the department there and they gave me orders.

Question. Can you account now, at this day, for the singular fact that after your vessel was chartered to the government all your authority and all your directions came from a private individual who had nothing to do with the government?

Answer. No sir.

Question. Did you ever ask anybody the question how it was that you, under charter to the government, had to go to a private individual to get directions?

Answer. I supposed from the tenor of my charter that Develin had orders from the department to take the stores and give the orders.

Question. Do you understand from the charter, or from any other source, that Develin was authorized to load the ship with stores for the government?

Answer. I do not know what orders he had. How can I tell when I state to you that he gave me orders, and that I do not know who gave him orders.

Question. Have you learned from any source that Develin was authorized by the government to procure supplies?

Answer. I cannot state whether he was or not.

Question. Have you learned that fact from anybody?

Answer. No, sir.

Question. Have you any knowledge about it?

Answer. All I know is that he gave me the orders, and that he gave me the charter party.

Question. Were you instructed by the charter party to conform to the directions of the United States officers?

Answer. Yes, sir.

Question. From the 25th of April?

Answer. I suppose so.

Question. When did United States officers first commence to give you any instructions?

Answer. After my arrival at Annapolis.

Question. Then all the time until you left this port you were under the directions of a private individual?

Answer. I do not know that I was.

Question. But you got your directions from Develin?

Answer. Develin gave me sailing orders.

Question. Who was the person from whom you derived all your authority and received all your directions before you left this port?

Answer. Mr. Develin, Mr. Freeman, and Mr. Stetson.

Question. Did you obtain them from anybody else?

Answer. I had no orders from anybody else.

Question. Did any officers of the government give you any orders touching your cargo until you arrived at Annapolis?

Answer. No, sir.

Question. Have you any knowledge that any particle of your cargo was government property when you left this harbor?

Answer. They were marked government stores.

Question. What was the mark?

Answer. "United States government stores" upon all the packages.

Question. Have you any knowledge that any particle of your cargo was government stores except from this mark you have described?

Answer. No, sir.

Question. Have you any knowledge from whence the cargo came into your ship?

Answer. No, sir.

Question. Have you any knowledge who procured it for you?

Answer. Not the slightest. I do not know what parties bought it. I only receipted to the carmen for the stores.

Question. State what this cargo consisted of.

Answer. Flour, sugar, bread, cheese, coffee, butter, lard, tobacco, rice meal, and various things which make up a regular assorted cargo.

Question. How much tobacco was there?

Answer. I cannot say. The mate checked everything which came on board, and receipted for the same to the carmen.

Question. Who was your mate?

Answer. His name is Harris.

Question. Where is he?

Answer. I do not know. In "Secessia," I believe.

Examination by Mr. Holman.

Question. Was the tobacco in casks or boxes?

Answer. In boxes.

Question. How many boxes?

Answer. I cannot say.

Question. A dozen?

Answer. Oh, more than that; but I never counted them.

Question. Do you suppose there were a hundred?

Answer. I cannot say.

Question. From whom did those eighteen beeves come?

Answer. I do not know ; but Develin asked me how many I could take. I do not know who bought them any more than a man in the moon.

Question. Was the whole cargo put on board at the same place?

Answer. Yes, sir.

Question. Where was the vessel when you first went on board of her?

Answer. At the same place where the load was taken in. She came around into the North river under the former owner.

Question. Where did you load her?

Answer. I think it was at pier No. 13 on the North river.

Question. During the time that the vessel was being loaded, did any person professing to be, or professing to act for, the quartermaster, or the commissary of subsistence, or the navy agent, or any defence committee, call upon you upon the ship, or anywhere else in this city?

Answer. They might have done so ; but if they did, I did not know it. They never said anything to me.

Question. So that the only person who spoke to you about loading the vessel was Develin himself?

Answer. Develin gave me the orders about the loading.

Question. From whom did he say he received his instructions?

Answer. He never told me. My letter of instructions was in his own handwriting.

Question. What other stores were upon this boat, except those designed for government use?

Answer. I had my own stores upon the boat for my own use, and that of the crew.

Question. What profits connected with the running of this vessel did Mr. Freeman or his associates agree to pay you, or furnish you, over and above what was proposed to be paid by Morton if he had consummated his arrangement?

Answer. I do not know anything about Morton as connected with this boat. I was engaged with Morton in overhauling a propeller for him, and he said to me, after I made my arrangements with Develin, that I ought to divide the profits with him if I made anything. I told him I would do it. I told him I would divide what I made if anything over and above my contract. I bought the stores, and paid for them.

Question. What was your motive in agreeing to divide with Morton?

Answer. He said he had used his influence in getting me the position. That was all.

Question. Did you ever have any settlement with Morton?

Answer. No, sir.

Question. Did you ever talk with him about a settlement?

Answer. Yes, sir.

Question. What is in the way of a settlement of the account?

Answer. I have not yet got a settlement with the other parties.

Question. Is there any difficulty in settling your account?

Answer. No, sir.

Question. What are the profits which should be divided between you and Morton?

Answer. I do not know. He owes me \$300 now.

Question. Did you not have this understanding before the arrangement was made with Develin?

Answer. No, sir. It was after the arrangement was made. The time I mentioned was the only time it was spoken of, and I agreed to it at once.

Question. He had a scheme on hand for buying this boat, had he not?

Answer. I do not know ; but he asked me if I would go in if the government chartered her.

Question. That was before Develin had anything to do with the vessel?

Answer. I do not know ; but that was the first time anything was said to me about it.

Question. You had a contract with him as to the manner in which you would run the boat, provided he bought her?

Answer. No, sir. I think this talk with him was the same day the arrangement was made with Develin. He said I ought to divide with him if there was any profits in it. I told him I would ; but I did not think there was much in it.

Question. He was not to go upon the boat?

Answer. No, sir.

Question. He was not to furnish hands?

Answer. No, sir.

Question. He was not to buy any stores?

Answer. No, sir,

Question. He was not to incur a single dollar of outlay?

Answer. No, sir.

Question. And you were to divide the profits over and above the expense of running the boat?

Answer. I was to have the \$300 a month, and then if anything was made over and above \$2,800 I was to divide with him.

Question. If there was any arrangement between yourself and Morton about running this vessel, when he proposed to buy her in connexion with some banker in this city, were you to have any advantage as a sutler in connexion with the vessel, or was Morton to have any such advantage, if there was any?

Answer. I do not recollect of any such thing being spoken of.

Question. In your trade with Freeman, was any arrangement made in that respect?

Answer. None whatever.

Question. Were you to have any understanding about that?

Answer. I had no agreement or understanding.

Question. Had you no understanding about the sutlership?

Answer. I never heard any such thing spoken about.

Question. Were you to have any advantage in the way of carrying passengers?

Answer. I supposed that matter belonged to the government.

Question. You did not lay in any stores except for your crew?

Answer. I bought my stores here, and took them down there, so as

to avoid buying them there at exorbitant prices. I bought no stores except for my own use.

Question. Did you buy anything with a view to supplying passengers?

Answer. I laid in stores enough to last me four or five months.

Question. For your crew alone?

Answer. I bought them to save expense?

Question. I ask you if you bought them solely with a view to supplying your crew?

Answer. They were my stores, and for my own purposes.

Question. (By Mr. Washburne.) What was your purpose?

Answer. To do the best with them I could.

Question. To sell them?

Answer. Yes, sir; to sell them, or do anything else with them.

Examination by Mr. Dawes.

Question. Did you expect to sell the stores you procured for your crew?

Answer. Yes, sir; as the owner of them I had the right to sell them, or to do anything else with them.

Question. When the vessel was chartered to the government, did you understand that the charter party gave you a right to take in stores over and above enough for your own crew, in order to sell them or to traffic with them?

Answer. I believe the charter party said I had the privilege of taking as much government stores as in my judgment I thought proper.

Question. Now answer my question; and that is, whether you understand that the charter party authorized you to take, as your own property, stores beyond enough to support your own crew, so that you could traffic with those stores?

Answer. The charter party did not say anything about that.

Question. Did you understand that you had authority to do that?

Answer. I believe the master of any vessel has the right to take as many stores as he thinks proper, so long as he does not make freight of them.

Question. Did you understand, as the effect of the charter party, that you had the right to take the goods to Annapolis and Fortress Monroe and dispose of them for other purposes than the running of the vessel?

Answer. There was not anything said upon that subject.

Question. I do not want to know what the contract was, but what your understanding of it was?

Answer. I understood that I had a right to carry as many stores as I desired for myself.

Question. (By Mr. Steele.) For the purpose of selling them when you got there?

Answer. No, sir.

Question. Did you sell them?

Answer. No, sir; I gave away five or six hundred dollars worth.

Question. Why did you do that?

Answer. Officers frequently came on to the boat who had no money, and if they wanted anything I let them have it. All my stores were light. Men would come down for a few pounds of sugar, and I would not refuse them. I do not believe I sold five dollars worth of stores out of my whole quantity.

Examination by Mr. Holman.

Question. Did you put goods on board of your boat with a view to sell them?

Answer. No, sir; I put them on board with a view to save expense, because I knew I could not get them there without paying an exorbitant price.

Question. But you put on stores to last a number of months?

Answer. Yes, sir; for four or five months.

Question. Did anybody take meals on your boat except the crew?

Answer. Yes, sir; officers did sometimes. I have now a bill against General Butler for meals and lodgings.

Question. Have you any other bills against government officers?

Answer. No, sir.

Question. Have you received anything from anybody for meals taken on board your boat?

Answer. Yes, sir; but not to exceed \$30 during the whole time for provisions in any way, shape, or manner.

Question. Did you nearly use up your stock of provisions?

Answer. No, sir; I think when the boat was burned I had left twelve or fifteen hundred dollars worth.

Question. What insurance had you upon them?

Answer. None whatever.

Question. Where did you fall in with this Larkin?

Answer. At the Astor House. He was introduced to me by Davidson, of Albany.

Question. What business was Davidson engaged in?

Answer. I do not know.

Question. What is his name?

Answer. G. C. Davidson.

Question. What did Davidson say about the matter?

Answer. We talked the matter over. He said he would like to have me take him. I said I did not want any extra help, and did not want to pay him. He said "take him along, and he may be of some service to you. He can do something down there any way." I think it was done to help the fellow along.

Question. Did Larkin stay with you?

Answer. Yes, sir; I got a job for him down there from the quartermaster.

Question. How long did that continue?

Answer. Only a short time. At Fortress Monroe I got him another job.

Question. Were you at one time up the Potomac with this vessel?

Answer. Once.

Question. Did Larkin remain with you all the time?

Answer. Yes, sir.

Question. Did Develin know that he was with you all the time?

Answer. I presume so, because he asked me to take him.

Question. Was Develin having frequent communication with you?

Answer. No, sir ; I did all my business through the agent, Mr. Freeman.

Question. Was Larkin on board the vessel when she was burned?

Answer. Yes, sir.

Question. Did he sustain any loss by the fire?

Answer. Yes, sir ; he lost everything he had.

Question. What did he lose?

Answer. A pretty good wardrobe. All he had on when he came down upon the rudder was a shirt, a pair of pants, and a hat.

Question. Where was his family at the time he went on board the vessel with you?

Answer. I do not know. He told me his wife lived at Ogdensburg, St. Lawrence county, New York.

Examination by Mr. Steele.

Question. Who received the goods on board the Cataline when she was loaded here?

Answer. The first officer—the mate.

Question. Had he any data by which he could tell whether they were all delivered?

Answer. Certainly.

Question. How did he know what was coming on board?

Answer. I gave him instructions not to receive goods beyond a certain point.

Question. Had he any data by which he could know when a particular bill was all in?

Answer. All he did was to receive so many goods from this one, and so many from that one.

Question. Then he did not know what goods were coming?

Answer. No, sir ; he did not know, nor did I know.

Question. You did not know what was to be sent upon the boat?

Answer. No, sir ; I did not know what they would send.

Question. Was there any agent of the government upon the boat to see that the goods purchased on account of the government, to be shipped by your boat, were received?

Answer. No, sir ; I did not know of anybody except my mate.

Question. Did you keep a list of all the goods shipped by you?

Answer. We entered them in a cargo book.

Question. Who received these goods from you at Annapolis?

Answer. The commissary or his clerk.

Question. Was he there to check them off from your book?

Answer. No, sir ; he had a bill of the goods shipped on our vessel, which was sent on to him overland.

Question. From whom did he receive that?

Answer. I suppose he received it from Develin, or somebody else. He had, at any rate, a full list of all the articles, and as they were taken off the commissary's clerk checked them off on his list.

NEW YORK, *September 25, 1861.*

WILLIAM PATTEN, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. Do you know the steamboat Cataline; and if so, state what you know of her and of her value?

Answer. I was harbor master for three years in a district to which she ran, and I was in the habit of giving berths to her; I am no judge of steamboats so far as their machinery is concerned, but I profess to be a judge of the hulls of vessels, having been a sea captain; that boat ran into my district a year or two, and I was aboard of her frequently; a man by the name of Corlies was agent for her, and I know the boat pretty well so far as I could know a boat by barely looking at her; soon after I left that district as harbor master, an opportunity offered, if we could get a boat that would answer the purpose, to put her upon a route which another man and myself had in contemplation; we looked around among the boats and among the rest came across the Cataline; I was not sufficiently acquainted with the machinery of boats to be able to make up a proper judgment upon her; I therefore got several gentlemen I knew, engineers and others, to examine her and give me their opinion; they did so, and as the result of their examination we concluded that the boat would not answer our purpose; if my recollection serves me right they reported that her engines were pretty fair, but that the boilers were bad; the hull, as I could see for myself, was very old; the understanding was that the boat was in the market at \$12,000, and with that view we examined her; the men we employed to examine her said they thought she would be a dear boat at \$12,000; they thought she could be bought for \$10,000.

Question. How long ago was this?

Answer. Two years ago this fall.

Question. Has she had any repairs since?

Answer. I do not know; I was familiar with the boat for three or four years, and she was considered an old boat.

Question. Did you make any inquiries as to what she could be chartered for per day?

Answer. I did not; that depends very much upon circumstances—what use the boat was to be put to, and what length of time; I made inquiries about the boat, and people who were familiar with machinery said that if she was put into market she could not be sold for over ten or twelve thousand dollars any way.

Question. Do you know anything about her being chartered by the government?

Answer. No, sir; except by report.

Question. What is the report about her being loaded?

Answer. I understood she carried down a cargo to Annapolis and got freight.

NEW YORK, September 28, 1861.

JAMES LARKIN, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. Where is your residence?

Answer. I call Ogdensburg, in this State, my home, though I have not been there a great deal for some years past; I have been in New York since last March.

Question. What is your business?

Answer. I had no business when I came here.

Question. What business have you been in since?

Answer. I have been on board the steamer Cataline.

Question. In what capacity?

Answer. As purser.

Question. By whom were you appointed?

Answer. By John E. Develin.

Question. What were your duties as purser?

Answer. There were a quantity of stores put on board the boat here and we carried them to Annapolis; at that point we took on board stores for Washington; when we were in Washington M. M. Freeman came there and reappointed me; he there directed that all drafts which were drawn to defray the expenses of the boat should be signed by me, and that I should see a semi-weekly statement made out of the expenses of the boat as nearly as I could; those duties I performed and we kept running along so. We left here on the 29th day of April last at 12 o'clock m.; when we reached Annapolis the first time we discharged the cargo which was on board; the quantity of goods we had on board I know nothing about; in fact they were put aboard before I went upon the boat; after discharging the cargo we were ordered to go alongside of the Baltic and take on government stores there; after that I think we went alongside the James Adger and took on board a quantity of flour; there I saw the necessity of having somebody to take charge of the government stores and to keep them out of the wet, and from damage.

Captain Phillips coincided in my views, and I made application to have some authority to take charge of them. Of course I expected to receive some remuneration for it. General Butler referred me to Captain De Forest, and he authorized me to see to that load of goods until we arrived at Washington. On arriving at Washington, I dis-

charged the cargo, and took a receipt for the goods from the clerk appointed by the quartermaster or by the commissary. We then returned to Annapolis, and I think we went up to Perryville, and from there to Baltimore, and finally we brought up at Fortress Monroe. I there reported to Captain Taylor, who was then quartermaster, what I had done. He told me to continue to take charge of the government goods. Soon after a change was made by which Captain Talmage became quartermaster, and Captain Taylor commissary. Captain Talmage ordered me to continue in charge of the goods in our trips backwards and forwards. My labors in my other capacity upon the boat were not very heavy, and I could attend to the other matter as well as not. I received no compensation for my labors.

Question. You say you were appointed by Develin as purser. How long have you known Develin?

Answer. I had seen him more or less for years.

Question. How did you come to be employed by him?

Answer. I was recommended to him by Mr. Davidson, of Albany.

Question. Have you known Davidson for a long time?

Answer. Yes, sir; for many years.

Question. How many years?

Answer. I cannot say.

Question. What did you understand here to be your duties on board of the boat?

Answer. My duties as purser were to see that the boat did not get into debt; to see that the crew were paid; and to see that there were no expenses incurred which were not necessary to keep the boat in good repair.

Question. Did you have any written instructions?

Answer. Yes, sir.

Question. Where are they?

Answer. They were burned up with the boat at Fortress Monroe.

Question. You say it was a part of your duty to pay the crew?

Answer. Well, I was there to see that the captain paid the crew, so that after the expiration of the charter there should be no indebtedness for which the crew could come upon the owners, in case the captain was not responsible.

Question. You were there as a watch over the captain?

Answer. Not exactly; but I was there as a check upon him.

Question. Did you have an office on board the boat?

Answer. Yes, sir.

Question. Were you known by the persons on board of the boat as being there in a sort of official capacity?

Answer. I believe so.

Question. Were you not merely regarded as a passenger by the captain and by other persons?

Answer. I do not know how they were regarded. I did not consider myself as such.

Question. Do you know anything in relation to the loading of the boat here?

Answer. No, sir.

Question. Do you know what the loading was?

Answer. I do not.

Question. Did you help discharge the cargo at Annapolis?

Answer. Yes, sir; and I saw a portion of the cargo there.

Question. Do you know what it consisted of?

Answer. There were some cattle on board the boat. I recollect that distinctly.

Question. What was done with the cattle?

Answer. They were sent ashore at Annapolis.

Question. What else was there on board?

Answer. Various kind of stores?

Question. How were they marked?

Answer. I do not know.

Question. To whom did the cargo belong?

Answer. We supposed they belonged to the United States government.

Question. Do you know that it belonged to the government?

Answer. No, sir, except from the marks upon the goods, and the fact that the cargo was delivered into the possession of the government officials at Annapolis.

Question. Who were those officials?

Answer. Captain De Forest was one, who had an office down on one of the docks, and I think the goods were delivered at Captain De Forest's dock.

Question. By whom were they delivered?

Answer. By the crew.

Question. Did you obtain no information as to the shipment of that cargo—whether by the government quartermaster, the Union Defence Committee, or by private individuals?

Answer. No, sir.

Question. Had you no conversation with Develin or anybody else?

Answer. No, sir. I did not see Captain Phillips until a day or two before I went on board the boat; and the only conversation I had with Develin was when he authorized me to go upon the boat. Captain Comstock was there, and he told me to hurry and go upon the boat immediately.

Question. Did or did not Captain Phillips understand the capacity in which you went on board the boat?

Answer. I suppose he did.

Question. Did you have any difficulty with Captain Phillips?

Answer. A little sometimes.

Question. Any difficulty in relation to the stores upon the boat?

Answer. No, sir.

Question. What was the difficulty?

Answer. Little matters in the management of the boat.

Question. What was the management?

Answer. I really cannot tell. We always have a great many little quarrels on board of boats, arising out of nothing.

Question. What connexion had Captain Phillips with the boat stores?

Answer. I understood him to say that he was paid so much a month to pay and feed the crew and supply coal for the boat.

Question. What did the difficulty about the stores grow out of?

Answer. I do not know that any difficulty grew out of the stores; our difficulties sometimes commenced in a joking way.

Question. What stores had Phillips upon the boat?

Answer. I never saw his stores. I went into the cabin once or twice where they were.

Question. Were there a large quantity of them?

Answer. He had quite a large quantity.

Question. More than enough for the use of the boat for the time she was chartered—three months?

Answer. I should think so.

Question. Did he dispose of all of those stores?

Answer. I do not know. He had a little bar on board, and used to sell tobacco, segars, and liquor to the officers.

Question. Did those belong to Phillips?

Answer. I suppose they did.

Question. I understand you to say you have no knowledge as to who shipped the cargo.

Answer. I have not. I did not go on board of the boat until the 27th or 28th day of April, and we sailed on the 29th.

Question. Had you any instructions in reference to the discharge of the cargo at Annapolis?

Answer. No, sir.

Question. And you did not assist in the discharge in any way?

Answer. No, sir; I had nothing to do with it; but Captain Phillips suggested that I could get an appointment to see to government stores, and I went to General Butler for that purpose.

Question. Was General Butler there at the time?

Answer. Yes, sir; and he referred me to Captain De Forest.

Question. And you were under the command of Captain De Forest from that time, as well as in the employ of Develin?

Answer. No, sir; I was not. Captain De Forest said if I could render services to the government, and it was proper, that he would authorize the payment of compensation to me. I told him the duties were laborious, but that I would undertake to execute them, and if I could not render any services I would ask no compensation.

Question. Where is your residence in this city?

Answer. I generally stop at the Astor House, and have done so more or less for the last 15 years.

Question. Have you a family?

Answer. Yes, sir. My wife is at Courtland, in this State.

Question. Where have you been engaged in steamboating?

Answer. I have been engaged more or less since 1837 on Lake Erie.

Examination by Mr. Holman.

Question. You state you supposed these stores were government stores because they were delivered at Annapolis?

Answer. Yes, sir.

Question. State what stores were delivered to the government officers at Annapolis.

Answer. I cannot.

Question. Can you state any one article which was so delivered?

Answer. Yes, sir; the stock.

Question. Into whose hands did the stock go?

Answer. I think they were taken in charge by the quartermaster there.

Question. Were these stores sold to the government at Annapolis?

Answer. I should think not.

Question. Do you know that they were not?

Answer. I do not; the goods were rolled ashore, and the government officers took charge of them.

Question. What particular officer took charge of them, and what do you mean by taking charge of them?

Answer. We rolled them off the boat.

Question. What did that person do?

Answer. He sent a man to take charge of those goods, who rolled them into the sheds.

Question. Were you present when he gave his directions?

Answer. No, sir.

Question. Do you know, of your own knowledge, of any official giving any orders?

Answer. No, sir.

Question. Do you know, of your own knowledge, of any official having anything to do with the cargo?

Answer. No, sir.

Question. Then how do you know that this man was employed in the government business?

Answer. I inferred that he was from the fact that I supposed that nobody was engaged there except in government business.

Question. Was this dock a public wharf?

Answer. Yes, sir.

Question. What amount of articles were delivered you cannot state?

Answer. No, sir.

Question. And the value of the cargo you do not know?

Answer. I do not.

Question. What did Davidson tell you about the loading of the vessel?

Answer. Nothing.

Question. What business is Davidson engaged in?

Answer. He is supposed to be a partner of Erastus Corning, of Albany.

Question. What is the business of that firm?

Answer. Hardware business.

Question. What connexion had they during the last spring, or early part of summer, with the produce business?

Answer. I do not know.

Question. Was Davidson himself a dealer in produce?

Answer. I do not know.

Question. What had he to do with getting you employed on board of this boat?

Answer. Davidson knew that I was out of business, and he recommended me to Develin.

Question. Did Develin tell you by whom this boat was loaded?

Answer. No, sir; I think most of the goods were loaded before I went on board.

Question. What were your wages?

Answer. \$100 a month.

Question. Who paid you?

Answer. I got my payment from M. M. Freeman & Co.

Question. Was there more than one gentleman by the name of Freeman connected with this business?

Answer. Yes, sir; O. S. Freeman was the gentleman who came on to Washington and gave me my appointment there.

Question. Is he the same Freeman who is connected with the boat here?

Answer. I do not know. There are two brothers here of that name.

Question. What did Captain Phillips's stores consist of?

Answer. Tobacco, whiskey, champagne, &c.

Question. And he carried on the whiskey business after he got there?

Answer. Well, he sold considerable stuff to the troops.

Question. Did he keep up this sutlership all the time you were upon the boat?

Answer. Yes, sir. A boy for that purpose started with us from New York, and he was on the boat when she was burned.

Question. These stores were not necessary for running the boat?

Answer. They were not boat supplies.

Question. It was not necessary to have whiskey, segars, and tobacco, as boat stores?

Answer. I suppose not.

Question. In what manner were you supported on board of this vessel?

Answer. I got my salary from M. M. Freeman & Co., and I ate my meals on board of the vessel.

Question. Did you pay any board?

Answer. No, sir.

Question. You say he had so much for supporting the boat crew?

Answer. He paid all the boat's crew except myself.

Question. All you have said in reference to taking charge of goods was said in reference to goods received upon the vessel after you reached Annapolis?

Answer. Yes, sir.

Question. And after the cargo was discharged?

Answer. We did not discharge all the cargo there. Some of it was ordered by the quartermaster to be carried to Washington.

Question. Did you hear the order given?

Answer. No, sir.

Question. Did you see the order?

Answer. No, sir.

Question. Do you know anything about it, except what was told you by Captain Phillips?

Answer. I do not know but that I had some conversation with Captain De Forest about it.

Question. What did you do with the receipts you took in Washington?

Answer. They were burned up.

TESTIMONY

IN REFERENCE TO

HIDES, TALLOW, AND CATTLE.

NEW YORK, *August 30, 1861.*

THOMAS SMULL was sworn and examined as follows :

Examination by Mr. Washburne.

Question. State to the committee your residence and place of business?

Answer. My family residence is Sing Sing ; my place of business, here ; my business is the hide and leather business.

Question. Have you had, directly or indirectly, any transactions with the government in relation to the supply of cattle?

Answer. No, sir.

Question. Have you purchased or received any hides of any person who had a contract with the government?

Answer. Yes, sir.

Question. State of whom.

Answer. I heard that there were government hides for sale in Washington ; I do not remember how long ago ; perhaps it was two weeks before the battle of Bull Run ; I went down to Washington for the purpose of purchasing them ; I found that the persons who had the hides had a contract with the government for the hides and fat.

Question. Who were they?

Answer. I cannot tell the names ; the hides and tallow were advertised by the government for sale at Washington, and the parties who got the contract for the hides assigned a portion of the contract to another party.

Question. Do you recollect the name of either party?

Answer. The parties I dealt with were Boteler, Smith & Jones. Jones is from Philadelphia, and also Smith.

Question. The men who had the contract with the government assigned their contract to them?

Answer. They were the assignees of the contract.

Question. Can you name the original contractors?

Answer. I cannot tell; I have them at my store, and I can give them to you hereafter.

Question. Do you know anything about the terms of the contract which they were under to the government?

Answer. They were to pay \$8 01 for the hide and fat of each bullock; I have a copy of the contract at my store; the price is correct.

Question. Is that \$8 01 for each hide, tallow, horns, hoofs, and everything but the meat?

Answer. It is not so expressed in the contract, but it means that; it means what is usually called the fifth quarter.

Question. Did you make a purchase of them?

Answer. I afterwards took an interest in the contract.

Question. How large an interest?

Answer. I took one-quarter interest.

Question. What did you pay for that?

Answer. Well, there are some conditions about the payment. We were to pay \$2,250 for one-quarter of the interest.

Question. State how long the contract had to run, and the number of cattle it embraced?

Answer. It is to continue during the war; at least that is the inference I drew from the contract.

Question. Where did you become acquainted with those men?

Answer. I had heard of them, and when I went to Washington I made myself acquainted with them.

Question. Did you have any letters of introduction?

Answer. No, sir; I sought them out; they knew who I was.

Question. State all the circumstances of your purchase from these men, and the conditions upon which it was made?

Answer. I went on and made the contract, and I know that thus far it has not proved very profitable. I have offered to sell out to them. I offered them \$200 if they would make me an offer.

Question. You must have considered it a bargain to get this fifth quarter, as you call it, for \$8 01, or you would not have bought into the contract.

Answer. I did at the time; but there were representations made upon the subject which I found did not hold out. The yield has not come up to what they originally represented.

Question. The original contract specified that they should pay \$8 01 without regard to weight, did it?

Answer. My purchase into the contract was predicated upon the fact that the contract specified that the cattle should weigh not less than 1,400, but the contract does not specify it; and when the weight is less than that, \$8 is a good price. There have been cattle killed there, the product of which has been very unsatisfactory indeed. It turned out that the contract did not say anything about the weight of the cattle, but they said that that contract was predicated upon the government contract for the purchase of cattle, and which stipulated that they should not weigh less than 1,350 pounds.

Question. You say \$8 01 is a large sum to pay for the fifth quarter?

Answer. Yes, sir; it does not leave a great deal of profit.

Question. How much?

Answer. That depends upon how fortunate we are. There are a great many details about the matter, and the whole is attended with much care and trouble. If managed prudently and well it would pay, but the butchers are apt to slash and cut the hides. The hides, if properly taken off, bring good prices ; if not, they are not so valuable. You may diminish the value of hides in that way one-quarter. If the business could be managed as we manage our business at home, it could be made profitable ; as it is, I find the leeway is very little.

Question. What is the business of Mr. Boteler ?

Answer. Mr. Boteler keeps a house-furnishing store.

Question. Do you know how he happened to have connexion with this branch of business so outside of his own business ?

Answer. I do not know, except that he may have been acquainted with this Mr. Jones, who is a butcher, and lives in Philadelphia. Mr. Jones went on to Washington for the purpose of getting the contract. Smith also lives in Philadelphia, but he also has an office in Washington.

Question. Do you know that the copy of their contract you have is a true copy ?

Answer. I do not, but I suppose it is. We have a young man at Washington who keeps our accounts, and he made a copy of the contract and sent it to me.

Question. And now you are a quarter partner of the concern ?

Answer. Yes, sir.

Question. And you have a clerk there to attend to the business ?

Answer. It was proposed that I should have the naming of a clerk for the concern.

Question. Do you know anything about the number of cattle slaughtered per day ?

Answer. At the time it was estimated that they would amount to from 60 to 80 per day. But the number fell off at one time to 30 per day ; but since the army has been re-enforced the number has been increased, until it averages now 60 per day, I believe.

Question. What would be the value of this fifth quarter in New York on a beef weighing 1,400 pounds. ? What are the hides worth ?

Answer. Hides are worth here in the neighborhood of \$4 50. I cannot tell what the tallow is worth. We take the rough tallow, and we have not yet ascertained what it costs to melt it.

Question. Do you know the probable amount of tallow which would be yielded from a beef of the weight of 1,400 pounds, and the price of the tallow ?

Answer. Tallow is worth 8 cents a pound here. There is a difference of opinion as to the amount of tallow yielded. Some think 60 pounds, some 70 pounds, and some 80 pounds. It depends how heavy the cattle are.

Question. But we are going upon the hypothesis of the beef weighing 1,400 pounds.

Answer. We thought the yield ought to be 80 pounds, and it is worth 8 cents around here.

Question. What is it worth to get it out ?

Answer. We have not been able to fix upon the amount. They

have managed the thing recklessly there. It costs a great deal for labor; and our expenses have been thirty and forty dollars a day, and I cannot see where it goes to. They have to cart these hides to one place and have them salted. They were also unfortunate. They had a place at the foot of 11th street where they melted the tallow, but it was torn down as a nuisance, and they were obliged to move across to the opposite side of the Potomac, where they had to build a new building. All these things go into the expense of rendering the tallow. And then the buildings are worth nothing after the business is over with. They laid out in all about \$2,000 for boilers, buildings, &c.

Question. Could the expense be more than 25 per cent. of the value of the tallow here?

Answer. You perceive there are so many contingencies that it is difficult to arrive at any satisfactory conclusion.

Question. What other parts which are valuable go with the hides and tallow?

Answer. Not much of any. The horns, feet, bones, and hoofs go with the hides. There is such a diminished demand in the market that the glue pieces cannot be sold at all. The horns have to be stored. The market is so overstocked that there is no sale for them. It is difficult, therefore, to estimate what these other articles are worth. In ordinary times they are worth double what they are now.

Question. You did not have anything to do, under your contract, but to receive the fifth quarter from the government? You took everything which they did not consume?

Answer. I supposed we were to have everything.

Question. The liver and tripe, are they not worth something?

Answer. Yes, sir; but they have not been worth anything to us. If they were in New York you could make them valuable, but you cannot get them here before they are spoiled.

Question. Cannot you do it there?

Answer. No, sir. And so with the livers. I supposed we were to have the tongues, but in reality we do not get them. Though it was not in the contract, Mr. Jones said we should have them, and there I was deceived. They were throwing them away. I found I could not claim them under the contract.

Question. Why cannot you cure them?

Answer. You can in cold weather, but you cannot do it quick enough in warm weather. Before they get salted inside they are spoiled. In cold weather they are worth something.

Question. As cold weather advances the contract will be worth more to you, will it not?

Answer. I think it will.

Question. Did you have any communication here in New York in relation to obtaining this contract?

Answer. Not about this contract.

Question. How about other contracts?

Answer. I was told by a certain party that he had something to do with these hides, and, in fact, that if I would remain easy, and say

nothing about it, he might put me in the way of getting them directly from the government.

Question. State who that party was.

Answer. I must decline. I found, however, that this party did not know much about it, and I was satisfied when I got to Washington that there was not anything in it, and I did not afterwards pay any attention to this party.

Question. This party stated to you that he might obtain the contract for you directly from the government?

Answer. That he might put me in the way of getting it.

Question. And that for a consideration?

Answer. No, sir.

Question. Was not that implied in the conversation between you and him?

Answer. No, sir.

Question. Was it a mere volunteer act upon his part?

Answer. I called to see him, as I supposed he had a good deal of influence.

Question. Why did you suppose he had influence?

Answer. I did not suppose he had any influence in reference to the matter of hides, but I wanted him to give me a letter to Mr. Cameron. He said if I would let the matter rest a few days he would know more about it. I will give all the facts. When our difficulties actually commenced, and troops were being sent on to Washington, and about the time the seventh regiment went on, and the government commenced slaughtering cattle, we sent a man to Washington to ascertain how the hides were sold. When he got there he was informed that the hides belonged to a party there who had killed and furnished the beef, and who had an extravagant idea about the hides. The hides were very much cut. We came to the conclusion that the parties placed such a high idea of the value of the hides that they would find themselves mistaken and would be disappointed, and I told my friend that he had better lay quiet awhile until the parties realized the condition of the hide market, and then perhaps we might operate with them. Two or three weeks after, and ten or fourteen days before the battle of Bull Run, I heard that one of the parties that had the hides in Washington was in New York, and wanted to sell them. I did not see the party; his name was Charles Boteler. After he left I went to W. A. Hall, of the firm of Benedict, Hall & Co. I asked him what he knew? Mr. Hall's idea was that these parties would get sick of the contract. He requested me not to do anything about the hides. He said I had better lay quiet; that things would shape themselves so that these parties could not sell the hides, and I could negotiate for them directly with the government. At any rate that was the inference I drew from what he said. I thought I would take his advice. I went to my store and talked with my sons about it, and they came to the conclusion that I had better go to Washington and look around for myself; that probably Hall was not so well acquainted with the facts as he thought he was. I went to Washington and went to look at the hides. I found about two hundred hides already on the dock to be sent to this city for sale. I made

inquiries and I ascertained that they were about shipping them to New York; still that the hides were for sale, but that they would be shipped if they were not disposed of in some other way. I looked at the hides and liked them, and came near purchasing them, as well as the tallow. I found the men did not understand the business. They found out who I was, and that I could be of great advantage to them. The result of my negotiation with them was that I bought in. I was to pay so much per week. They could not give me the original contract, but told me what it was, and I bought in, predicated upon that contract. This was ten days or two weeks before the battle of Bull Run. I came to the conclusion that Hall was deceived.

Question. Hall did not propose to have any interest in the contract.

Answer. No, sir.

Question. You thought he could aid you in Washington.

Answer. Yes, sir.

Question. Did he profess to have influence with Cameron?

Answer. Yes, sir.

Question. What kind of influence?

Answer. Well, the impression he made upon my mind was, that he was quite intimate with Cameron, and with the heads of some other departments; and he made me think that his suggestions would have weight with them.

Question. Did you call upon him afterwards upon the subject?

Answer. I did not.

Question. Did he give you a letter?

Answer. I went for the letter, but he did not give it to me.

Question. For what reason?

Answer. He said if I would let the thing remain a few days that he would be able to help me.

Question. What was your inference from what he said?

Answer. My inference was, that he thought those hides would soon fall back to the government, and that the government would have the disposal of them.

Question. You did not see Hall afterwards.

Answer. Yes, sir; but I never named this matter to him.

Question. Did Hall speak of any particular influence which he could bring to bear; and if so, what were they?

Answer. I cannot say that he did. I had myself the idea that he had a great deal of influence, from conversations I had previously had with him upon various subjects, and I thought he could aid me in the purchase of hides.

Question. Did you suppose it was an influence which would enable him to get the contract for you upon better terms than could be had by an outsider, or by men having no influence?

Answer. My impression was, that if I could make myself personally known to the men who had the making of the contract I would be more likely to succeed than if I were a stranger.

Examination by Mr. Steele.

Question. Do you get all those hides now?

Answer. Yes, sir.

Question. What do you allow the firms for the hides and tallow?

Answer. We sell them upon commission.

Question. Have you sold any?

Answer. Yes, sir.

Question. What do you get for them?

Answer. We have got $5\frac{3}{4}$ cents per pound for those we have sold.

Question. What would that be apiece?

Answer. Thus far the hides have averaged about 73 pounds each.

Question. Do I understand you to say that you cannot now form an estimate of the amount of tallow which each bullock will furnish?

Answer. We have no means yet of making an estimate. I have tried very hard to do so, and that has been one thing unsatisfactory to me. We have found the expenses were too large, and we have been trying to lessen them, and we have had a man there the last week for that purpose.

Question. Should not a bullock weighing 1,400 pounds furnish 90 pounds of tallow?

Answer. Yes, sir; from 80 pounds to 90 pounds.

Question. And that is worth 8 cents per pound?

Answer. That is what they tell me.

Question. Would it require more than 20 per cent. of its value to render it?

Answer. The amount I speak of is mere fat, but when that is rendered down it would make a less amount of tallow.

Question. And there are some portions of the fifth quarter you cannot make worth anything to you?

Answer. Yes, sir. We keep the horns and hoofs and shin bones, which are worth nothing now. The value of them is prospective, as there is a great stock of those articles now in market.

Question. Who had the fifth quarter before this contract was made?

Answer. It was owned by a party by the name of Van Liew, I believe.

Question. Did he have a good lay?

Answer. He made a good deal of money out of it.

Question. Do you know what his contract with the government was?

Answer. I do not.

Question. Did that party reside in Washington?

Answer. Yes, sir.

Question. That was a temporary contract?

Answer. Yes, sir.

Question. Do you know what disposition has been made of the fifth quarter in any other department except that of Washington?

Answer. I do not. There was another thing in which I was disappointed. These parties told me they would be able to get the hides from Fortress Monroe, but they never did. They only got those in the District of Columbia. That representation was one of the representations which induced me to enter into the contract, and for that reason I paid these parties more than I otherwise should.

Question. Your contract included hides, &c., of cattle killed on both sides of the Potomac?

Answer. Yes, sir.

Question. You say tallow is worth 8 cents a pound, and that at 80 pounds, would be worth \$6 40 ; and 72 pounds of hide, at $5\frac{3}{4}$ cents, would be \$4 14 ; making in all \$10 54. Would that be a fair value of the material from each ox ?

Answer. It would be, if you had the materials here.

Question. But I mean if it is not a fair value in the present condition of things ?

Answer. We have not made anything like that amount thus far. We have made scarcely anything, taking into consideration all the expenses in erecting a place for rendering the tallow.

Question. But how is it, taking all these things into account, and supposing the contract to continue a few months longer ?

Answer. Well, I will tell you how I feel ; if any person will give me my money back, and pay my expenses, I would be willing to give up the contract.

Question. Would you take anything less than that ?

Answer. As things look now, it is more encouraging. There are more cattle killed now, and I hope we shall do better, but I would be perfectly willing to throw up the contract on the terms I have stated. It has been supposed that we were making a good deal of money out of it, but it is not so. I could do better if I could get it all into my own hands. I offered the other parties \$200 if they would make an offer what they would give or take.

Question. Do you know the name of the contractor who furnished the beef cattle ?

Answer. I do not.

THOMAS SMULL.

The following is a copy of the agreement referred to in the foregoing testimony, as furnished by the witness :

“ Copy of an agreement entered into for the purchase of all the hides, tallow, horns, and hoofs of all the beef cattle slaughtered within the ancient limits of the District of Columbia, made between Captain A. Beckwith, commissary of subsistence, United States army, on behalf of the War Department, and James B. Smith, C. W. Boteler, jr., and John Jones, trading under the firm name of John Given & Co.; said contract commencing on Tuesday, June 14, 1861.

“ Articles of agreement made on the 9th day of June, 1861, between Captain A. Beckwith, commissary of subsistence, for and on behalf of the United States of America, and the said John Given & Co., their heirs, executors, and administrators, have mutually agreed, and by these presents do mutually agree and covenant to and with each other, as follows, to wit :

“ That the said John Given & Co., their heirs, executors, or administrators, hereby agree to pay to the United States the sum of \$8 01 for the hides, tallow, horns, and hoofs of each and every animal belonging to the United States slaughtered within the ancient limits of the District of Columbia, the said hides, tallow, horns, and hoofs to be collected by the said John Given & Co. from the various camps and slaughter-houses where the animals are slaughtered; the money to be paid every ten days for the articles obtained. It is further

understood and agreed that the said John Given & Co. shall give a bond, with good and sufficient security, for the faithful performance of their contract; and it is also understood that the commissary general of subsistence may determine this contract at any time he may deem proper. It is made a special part of this contract that the said John Given & Co. shall be liable for all the hides, tallow, horns, and hoofs coming from the animals slaughtered as above, unless it can be made to satisfactorily appear to the subsistence department that all due exertion, diligence, and care was made to obtain the said articles, and that they were prevented from obtaining them by unforeseen obstacles beyond their control, or by the wanton waste of the butchers by whom the animals were slaughtered. That no unreasonable or unnecessary delay on the part of the officers of the United States shall be given to the settlement of the account of the said John Given & Co., their heirs, executors, or administrators: *Provided, however,* That no member of Congress shall be admitted to any share or part of this contract, or any benefit to arise therefrom.

"In witness whereof, the parties have hereunto subscribed their names and affixed their seals the day and year above written.

"A. BECKWITH, [L. S.]

"*Captain, Commissary of Subsistence.*

"JOHN GIVEN & CO. [L. S.]

"Witness:

"S. C. GREEN.

"S. J. MAGARGE."

NEW YORK, *September 2, 1861.*

JOHN J. ECKEL, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State what you know, if anything, of the contract made by Clarendon & Smull with the government, or with any other parties, in relation to the fifth quarter, as it is called, of the beef slaughtered in the District of Columbia?

Answer. The firm is Smull & Son. They became engaged in that matter, but I do not know how.

Question. State what information you have in reference to that contract?

Answer. I do not know that I can say much about their contract. I understood they had a contract for slaughtering the cattle. I do not know for a certainty what the contract is. I know it was reported around the "Swamp" that they had the slaughtering, and that they had the hides and tallow for doing it.

Question. From whom did you get the information?

Answer. I heard it talked about in Ely's store, and they understood the contract as I have stated it. I understood that Jones &

Boutler had the contract at one time. On one occasion, when I was in Washington, I went to see them. Jones told me they had the contract then, for the fifth quarter, for \$8 01 each bullock.

Question. In addition to that, what did he say in relation to the profits of the contract?

Answer. I think he had parted with the contract at that time, but I do not know. He told me he was getting 100 pounds of hide and 90 pounds of fat, though I did not think they would average that. He also had the tongues, feet, &c.

Question. What business were you engaged in?

Answer. The hide business.

Question. Was it proposed that you should buy an interest in the contract?

Answer. No, sir; though I told him if he wanted assistance I would be willing to render him assistance at the prices he was then paying. He said Boutler was at New York to make arrangements for having the hides and fat sold.

Question. What did he say in relation to the nature of the profits, and how they were to be derived?

Answer. He did not say.

Question. Was it after this that you understood that Smull & Son were connected with the business?

Answer. Yes, sir; some two weeks after that.

Question. Did you obtain any information upon this subject from any member of this firm?

Answer. I have heard them speak of the matter in general conversation, but not particularly.

Question. Was there any understanding as to the manner in which a settlement should be made between the contractors, whoever they might be, and the government?

Answer. No. I understood that Smull & Son were the contractors, or had the contract.

Question. And that the other men had abandoned their contract, or sold out?

Answer. That they had thrown up their contract, and that Smull had become the contractor. But I also understood that Jones & Boutler had still an interest under the new contract, which was different from the original one.

Question. State the name of the gentleman who you supposed had some information upon the subject?

Answer. Ambrose K. Ely, I think, knows something about it; but whether it is anything more than hearsay I do not know.

Question. I understood you to say you never had any conversation with the firm of Smull & Son?

Answer. I said so. Only general conversation.

Question. At what time were you in Washington city?

Answer. About the 4th of July.

Question. Who were the contractors at that time?

Answer. Jones & Boutler, and at that time I thought the contract was a very good one, but since that time \$8 a head is more than it has been worth.

Question. Why?

Answer. The price of both hides and fat has gone down.

Examination by Mr. Dawes.

Question. But you understand now that they have the fifth quarter for the butchering?

Answer. Yes, sir.

Question. Do you know who had the contract previous to Jones & Boutler?

Answer. No, sir?

Question. What did Jones & Boutler pay under their contract?

Answer. Eight dollars and one cent a head.

Question. Did you learn that anybody had the contract previous to them; or were they the first ones?

Answer. I think somebody had it previous to them at \$10 a head, but that subsequently Jones got the contract for three years, or during the war, at \$8 a head for all animals slaughtered in Washington, and for ten miles around.

Question. Do you know who has a like contract for any other division of the army?

Answer. I do not. I was told that some other party had a contract for another branch of our army, but I do not remember his name?

Question. You know of no one who has a like interest in the fifth quarter of General Banks's division, or in that of any other officer?

Answer. No, sir. As things are I should not want to contract at that price, though it is not worth much less now.

Question. How would the contract be in winter, compared with summer?

Answer. It would be better.

Question. Why; because you could bring the materials to this city, and dispose of them to better advantage?

Answer. The tallow is generally better in the winter. The tallow would have to be manufactured then and the hides cured. The freight is less after they are cured. There would, however, be no difference in the manufacture, whether in winter or summer.

Question. Was this contract sought after in the "Swamp" by men in that business?

Answer. No, sir, I think not. There were a few of them on at Washington, but they thought the first estimates were large, and they were not very anxious.

Question. Who furnished the estimates?

Answer. I do not know. I think Mr. Boutler was one who estimated what he would give at the present time. I think the contract would be worth \$7 a head. A man would get his money back at \$7, for the hides and tallow merely, but it is not likely that any one would run the risk of the contract and get nothing more than his money back. I would be willing to take the contract at \$6 a head and do the slaughtering.

NEW YORK, *September 2, 1861.*

SMITH ELY, jr., being duly sworn, was examined, as follows :

Examination by Mr. Holman.

Question. State your residence and business.

Answer. I reside in this city, and am in the hide and leather business.

Question. State what you know of the contract of Smull & Son, or of Smull & Clarendon, with the government or other parties in reference to the fifth quarter of the beeves slaughtered in and about the capital.

Answer. Although I am engaged in the business myself, I have no knowledge of the contract. I think I was subpoenaed upon misinformation.

Question. Have you had no conversation with Smull & Son in reference to it?

Answer. No, sir ; though I think Smull on one occasion told me that he or his son was interested in the contract.

Question. Did he tell you anything about the nature of the contract?

Answer. No, sir.

Question. Then you have no knowledge whatever of any contract between these or any other parties and the government?

Answer. No, sir.

Question. Have you no information from any person who professed to understand the nature of the contract?

Answer. No, sir.

Question. Had you no conversation with Eckel?

Answer. Not that I recollect.

Question. How long since your brother was in Washington?

Answer. I am satisfied that he has not been there within a year.

Question. What would be the average weight of hides of cattle weighing 1,400 pounds gross?

Answer. It would be 80 pounds.

Question. What amount of fat would such an animal furnish?

Answer. I do not know ; I should think from 90 to 100 pounds ; I am contracting for hides at $4\frac{1}{2}$ cents per pound and for tallow at seven cents.

NEW YORK, *September 2, 1861.*

JOHN BOLDEN, being duly sworn, was examined, as follows :

Examination by Mr. Holman.

Question. State your residence and business.

Answer. I reside in this city ; and am engaged in the hide and leather trade.

Question. State what information you have, if any, in relation to a contract entered into by Smull & Son, or Smull & Clarendon, with the government, or any other party, for the fifth quarter of the beeves slaughtered in and around Washington?

Answer. My knowledge is very limited; I know nothing about it further than what I have learned outside; I went to Washington myself in June in relation to the hides.

Question. State what you did there.

Answer. That was prior to Mr. Smull's contract; at that time the government had purchased 2,000 cattle, and a party had contracted to slaughter them, and he was to pay \$10 a head for the fifth quarter; I learned that from a man engaged there in the slaughtering business; the man who told me was himself the man; but he did not tell me his name; nor do I know who he was.

Question. At what time was this?

Answer. It was the latter part of May or the fore part of June.

Question. What did he say in reference to the contract being a favorable or an unfavorable one; or in reference to the source of profit?

Answer. The business was just being commenced at that time, and I asked him if he was selling the hides; he said he was not just then prepared to sell them; I got none of the hides; nor did I pursue the matter any further.

Question. How long did you remain there?

Answer. About ten days.

Question. Was there any modification of the contract made when you were there?

Answer. None; and there was no other contract made that I know of.

Question. What information have you obtained since that in reference to the nature of the contract between the government and any parties for the slaughtering of the beeves there?

Answer. I have no information for which I can personally vouch.

Question. State what information you have, and the sources from which you received it.

Answer. I have understood from various sources that a contract was made after the first contract, for \$8 01 per head.

Question. With whom did you understand that contract was made?

Answer. I understood it was made through a man in Philadelphia, connected with Smull & Son, and Thomas Clarendon.

Question. Who was this man?

Answer. I understood his name was Jones.

Question. In what business did you understand he was engaged?

Answer. I understood that Jones was a man of straw; that he made the contract, and that he acted as the friend of somebody connected with the department there.

Question. From whom did you obtain that information?

Answer. It seems to be information generally talked about. The party from whom I got it told me of it confidentially, and I do not suppose I am at liberty to give his name.

Question. Is he a gentleman engaged in the same business with yourself?

Answer. Yes, sir.

Question. What was the object of making the communication confidential?

Answer. It was probably because he did not want to offend Smull?

Question. Was the contract regarded as a favorable one?

Answer. The contract, as it is currently understood, is a very favorable one now. It was not regarded as a favorable one then. It was for \$8.01 a head. I made an estimate, and concluded that six or seven dollars would be a fair price to give for hide and tallow, per head. I would have been willing to give six dollars for them.

Question. Were the hides and tallow all that these parties were to receive?

Answer. The report is that they have other benefits.

Question. What other benefits is it reported they are to have?

Answer. I hear that they get more hides than they account for. I do not say that I know the fact personally, but I can give my authority; but, as I said before, I should have to get the consent of the party before I could give his name. This party got the information directly from the party who had the contract.

Question. How was that to be effected?

Answer. I cannot say.

Question. How were they to manage to account for a less number of hides than they received?

Answer. I inferred that it was by collusion between the agent of the government and the party to the contract.

Question. In what business is the gentleman engaged from whom you obtained the information?

Answer. In the hide and leather business.

Question. Have you any information from any other source in reference to the nature of this contract as it now exists, or as it may have existed since you were in Washington?

Answer. I had a conversation with a gentleman last week about the contract, and I observed that I did not see any profit in the contract. He understood that they did not pay for more than about two-thirds of the hides they received.

Question. Who was the person?

Answer. Frank Gale, of the firm of H. B. Hull & Co., corner of Gold and Ferry streets.

Question. Did he state from what source he obtained the information?

Answer. I did not inquire, because I was already in possession of the fact.

Question. You stated that at \$8 01 there was no profit?

Answer. I did; and he stated that they paid for but about two-thirds of the hides.

Question. What further did he say?

Answer. He went on to state that there was money in it, in the way the contract was carried on; that it was pre-arranged that the contract should be carried out so; that there was an understanding with

the friend of some man in the department that the contract should be carried out in a particular manner.

Question. In what way did he state that the contract was to be carried out?

Answer. Well, he stated that the hides were not to be accounted for in full.

Question. The only information you have of a definite character of the mode in which the profits were to be realized, was obtained from the two gentlemen you have mentioned?

Answer. Yes, sir.

Question. State the name of the first gentleman?

Answer. He is in a peculiar position about the matter, having obtained his information from one of the contractors, and therefore I would not like to divulge his name without his consent.

Examination by Mr. Steele.

Question. Were these contractors to feed their men upon government beef?

Answer. I also heard that. That was a part of the conversation.

Question. How were they to manage that matter?

Answer. I do not know how that was to be done.

Question. How were they to manage the matter of accounting for only two-thirds of the hides; were they to lose the books?

Answer. I heard that the tally books of the number of hides were to be lost simultaneously by both parties, and then they would have to lump the thing—guess at the number.

Question. Did the gentleman whose name you have not given us tell you that?

Answer. Yes, sir.

Question. And he said he had it from one of the parties to the contract?

Answer. Yes, sir; and he told me that if anything should ever come out, I should not mention his name.

Question. But that injunction was not laid on you with the expectation that you would be placed under oath touching this matter?

Answer. I suppose not. I had no idea of being brought before this committee.

On consultation the committee gave the witness time to determine whether or not he would give the name of his informant; and dismissed him for the present.

NEW YORK, *September 3, 1861.*

THOMAS SMALL was recalled and examined, as follows:

Examination by Mr. Dawes.

Question. State to the committee what arrangement you made with the government about ascertaining the number of hides you received of the cattle slaughtered at Washington.

Answer. There is a party employed by the government who checks the account of the butcher in reference to the hides.

Question. Who is he?

Answer. I think his name is Captain Peck. I do not know whether he does it now.

Question. Do you have anybody there to aid in that matter?

Answer. We, of course, have a party there to see that we get as many hides as the government charges to us.

Question. What is the method by which he ascertains the number of hides you receive?

Answer. I am not able to tell you.

Question. How does your party ascertain that the number of hides he receives corresponds with the number which he draws upon you for?

Answer. He keeps a regular account every day of the number of hides he receives from each butcher shop.

Question. What comparison is made between that and the account which is kept by the government?

Answer. I suppose the two are compared, but I have not been able to get those accounts as particularly as I would like to see them.

Question. Do the butchering establishments report to the government the number of cattle killed at each?

Answer. I do not know how that matter is managed.

Question. At what point does your man take the enumeration of the number of hides received?

Answer. He is located at the corner of Eleventh street, the point at which we collect the hides every day by carts which go to the different slaughter-houses. As the hides are collected he makes the tally. When we first commenced we also collected the tallow at that point, but the inhabitants indicted our establishment as a nuisance, and we had to remove our fixtures for rendering the tallow, and carry them across the Potomac. We still take in the hides at the foot of Eleventh street and salt them.

Question. And your accountant enumerates the number of hides at that point?

Answer. Yes, sir.

Question. And is it there that the government compares their accounts with his?

Answer. No, sir; so far as I know the butcher's render their account of the hides directly to the government. They have a person

in their employ who takes the account before the hides come into our hands.

Question. Before you entered into this contract did you not understand by what sort of a rule you were to determine how many hides you were to pay for?

Answer. I supposed that the government would not charge us with any more hides than we received.

Question. Aside from that did you not know personally how the account should be rendered so that there should be no mistake?

Answer. No, sir.

Question. Did you understand from the parties from whom you purchased the contract how the accounts were to be rendered?

Answer. No, sir; except that Captain Peck kept the accounts for the government.

Question. Did you look into that branch of their arrangement so as to be able to understand it yourself?

Answer. No further than I have stated.

Question. Upon whom did you rely to see that that branch of the business was properly attended to?

Answer. Upon a clerk, whom the other parties proposed I should have the naming of, and whom I sent there, of my own selection, to keep the accounts.

Question. Who is he?

Answer. Edward M. Fay.

Question. And you pay for as many hides as he reports?

Answer. I take it for granted that we do not pay for any more than we get.

Question. Do you know in what manner the government and your clerk compare notes?

Answer. I do not.

Question. Do you know whether either of them has any sort of check upon the other?

Answer. I do not.

Question. You know nothing of the means by which accuracy is arrived at?

Answer. I do not.

Question. How many hands do you employ there?

Answer. I cannot tell. Some eight or ten. The number depends somewhat upon the number of hides we are receiving.

Question. What do you know about the wages paid to those men?

Answer. So far as I remember we pay seven and eight dollars a week.

Question. Do you know of more than eight dollars a week being paid to any of them?

Answer. I do not, with the exception of our clerk.

Question. Does that include board?

Answer. I think it does in some cases. For instance, the man who renders the tallow must be a man of some experience, and so also must the man be who salts the hides.

Question. Do you board any others?

Answer. I cannot say. We board several hands.

Question. Where do you board them?

Answer. Close by 11th street.

Question. Do you know the place?

Answer. Yes, sir.

Question. Where is it?

Answer. In a place we hire, which was formerly a hotel. It is an old building, and we fitted up some rooms in it, and hired a woman to provide for them.

Question. You do not hire them boarded?

Answer. We did at first, or rather they boarded themselves first, and we paid them a little more, but we found that we could not control them as well as we would like. They were rather a poor set of men, and I think we paid them then from a dollar to a dollar and a half a day; but we soon sent some men from New York to take their places.

Question. How many?

Answer. Two.

Question. To take the places of how many?

Answer. I cannot tell.

Question. Did you send more than two?

Answer. No, sir.

Question. You do not know how many you employ there besides?

Answer. I do not exactly.

Question. When you sent on those men you changed your plan, and provided board for the men yourselves?

Answer. Yes, sir.

Question. What difference did you make in the wages?

Answer. I think we board the men there and give them the same wages which we paid them here without board. But I cannot say what is paid to the other men.

Question. Are they all boarded at the same establishment?

Answer. I have not been there for some time, and my information is not sufficient to enable me to answer.

Question. I want you to tell the committee what difference you make in their wages from the fact that you furnish them with board?

Answer. I cannot tell. The only object we had in boarding them was that we might have them on hand at all times, because frequently when the hides came in, just at night, the men would be off. I suppose it costs us more now that we board the men than it did before.

Question. Where is the place where you board them?

Answer. At the foot of 11th street. We call it Bradley's wharf.

Question. Do you hire the rooms?

Answer. We hire the whole place, wharf, building, and all.

Question. And that is where this woman cooks for them?

Answer. Yes, sir.

Question. Where do you get your provisions?

Answer. We buy them.

Question. Do you know where?

Answer. No, sir.

Question. Where do you get your beef?

Answer. I do not know.

Question. Who has that matter in charge?

Answer. Our clerk provides provisions.

Question. Have you any knowledge of the source whence he derives his provisions, or any part of them?

Answer. No, sir.

Question. Have you ever inquired?

Answer. No, sir.

Question. Has there been any communication made to you touching the source whence he derives the provisions for the men?

Answer. No, sir.

Question. Is there any understanding between you and anybody else as to that matter?

Answer. No, sir.

Question. Have you no knowledge at all in relation to it?

Answer. None whatever.

Question. Have you inquired of your clerk?

Answer. No, sir.

Question. Has he made any communication to you touching the cost of the provisions?

Answer. I think he has. I think he has made a statement since we hired this woman. He made a statement of how much the provisions cost in a certain number of days, and from that I made an estimate and found that it cost about the same as getting them boarded would.

Question. Do you remember what he said was the cost of the beef?

Answer. No, sir.

Question. Have you anything to do with any other contract with the government besides the one we have been speaking about?

Answer. Yes, sir; indirectly.

Question. What contract?

Answer. A contract for making military equipments.

Question. In whose name does the contract stand?

Answer. Shafer S. Storms.

Question. When was it entered into?

Answer. Soon after the breaking out of the war.

Question. With what parties was it made?

Answer. With General Ripley and Captain Whiteley. General Ripley authorized Captain Whiteley to make a contract with Mr. Storms for the manufacture of 20,000 sets of equipments.

Question. Where does Captain Whiteley reside?

Answer. At Governor's Island.

Question. What does the term "equipments" embrace?

Answer. Cartridge-boxes, pouches, bayonet scabbards, body belts, gun slings, &c.

Question. For infantry?

Answer. Yes, sir.

Question. When were they to be delivered?

Answer. We had ten days in which to deliver the first 1,000, and we were to deliver 1,000 a week after that.

Question. Covering 20 weeks and four days?

Answer. Yes, sir.

Question. Were you connected with Mr. Storms in obtaining that contract?

Answer. No, sir.

Question. You became interested in it afterwards?

Answer. Yes, sir.

Question. What is Storms's business?

Answer. That is his business.

Question. What portion of the contract do you attend to?

Answer. I furnish the capital.

Question. What is the price paid you per set?

Answer. Four dollars.

Question. Was this contract made upon advertisement for proposals?

Answer. Not that I know of.

Question. Did you know of this contract being entered into at the time?

Answer. I knew nothing of it until after it was made. It appears from what Storms told me that he had been out to Governor's Island and obtained it, because he had made a great many equipments during the Mexican war, and had done a great deal of work for the government then, and acquired a good reputation for his work.

Question. Was the price apportioned among the different articles, or did it apply to a set in gross?

Answer. In gross.

Question. Are you connected with any other government contract?

Answer. We have since received orders to make more equipments.

Question. Upon what terms?

Answer. At a good deal less.

Question. At what price?

Answer. At \$3 45 a set, including another expensive piece. The contract is not as good as the other one by 75 cents the set.

Question. What is the additional piece?

Answer. It is a cross belt, trimmed with brass.

Question. How many sets does this last contract embrace?

Answer. 15,000.

Question. Made with the same parties?

Answer. No, sir; we received this order from Major Hackner, at Washington.

Question. When are they to be completed?

Answer. We are delivering 2,000 a day. The order was to make them as quick as possible.

Question. Are any parties besides yourself and Storms interested in it?

Answer. No, sir.

Question. Are you interested, directly or indirectly, in any other contract with the government?

Answer. No, sir.

Question. Will you tell me the names of all the parties in New York who are interested in this "fifth quarter" contract?

Answer. When I made my statement to the committee the other day I forgot to say that Burns & Clarendon were interested in it. Clarendon was on at Washington when I was, and I let him come in with me and share with me in my fourth of that contract.

Question. Did he make any of the arrangements at Washington?

Answer. The arrangement for the purchase was mostly made by

myself. He has been on since and has seen to the curing of the hides.

Question. At the time of the purchase he was there with you?

Answer. Yes, sir.

Question. You and he conferred together so as to avail yourselves of all the knowledge each possessed?

Answer. Yes, sir.

Question. Were any arrangements made there by you or by him which were not communicated to each other?

Answer. No, sir; I presume not.

Question. So far as you know all the arrangements he made there were communicated to you?

Answer. Yes, sir.

Question. How many times has he been on there since that time?

Answer. Two or three times.

Question. Have any other members of your firm been on there?

Answer. No, sir.

Question. Has he, so far as you know, communicated to you all the arrangements he made on his subsequent visits there?

Answer. Yes, sir.

Question. Have you communicated to him all that you have done?

Answer. I have.

Question. Have you any knowledge that more hides have come into your possession than you have accounted for?

Answer. No, sir.

Question. Have you any means of ascertaining whether that is so or not?

Answer. Yes, sir; I ought to have. We have not yet been able to get a full and detailed statement of the accounts from the parties. They have settled with the government for the number of hides received up to last week. The account, according to the contract, is settled every ten days.

Question. What means have you, if you had your suspicions excited upon that subject, of ascertaining whether the number of hides you pay for to the government agrees with the number of hides which actually come into your possession?

Answer. We pay \$8 01 per head for the fifth quarter. Now, if there are 500 hides taken in, or 500 cattle killed, that would amount to \$4,000.

Question. Yes; but how can you tell that the 500 hides which you pay \$4,000 for actually come into your hands?

Answer. We have a clerk there, and there is a Mr. Gunnel, who is paid for going round to see whether we get the hides.

Question. Who is this Mr. Gunnel?

Answer. He is a physician in Washington.

Question. By whom is he employed?

Answer. Well, sir, we hired two of his men and carts, and he has been going around a good deal himself to see and watch things.

Question. To see what?

Answer. To see that his men were doing a faithful day's work.

Question. In getting in the hides?

Answer. Not alone that, but to see whether his men were doing their work right.

Question. Does he also look to it that the government does not get cheated?

Answer. He only takes care of our own interest.

Question. Have you any other means of ascertaining yourself, personally, that you do not get cheated in the account of hides received, except through this Gunnell and your clerk?

Answer. No, sir. I do not know whether we employ Dr. Gunnell now. We wanted to get rid of him.

Question. Do you know anything about the means which the government possesses of testing the accuracy of the account?

Answer. I do not.

Question. Did you ever inquire about that part of the matter?

Answer. I do not know by what means accuracy is arrived at on their part. I had reason to suppose that the government understood their business.

Question. What reason had you to suppose that the government understood their business?

Answer. No other reason than that the government was sufficiently capable; that it was their duty to do so, and that there was enough honesty and capacity among its officials to take care of their interest.

Question. Did either you or Mr. Clarendon make any investigation upon that point to ascertain with whom, upon the part of the government, your accountant was to confer?

Answer. I did not. Mr. Clarendon may have done so.

Question. Has he done so to your knowledge?

Answer. He has not to my knowledge, as he has never said anything to me about it.

Question. Then you are to-day ignorant of the checks which the government has upon your accounts?

Answer. I am.

Question. And, so far as you know, all the parties to the contract made with the government are entirely ignorant of that?

Answer. I cannot say that they are.

Question. You can say so far as you know?

Answer. Yes, sir; so far as I know, and from what I heard them say, our party are satisfied that the government has the means of rendering a true account to us.

Question. What have you heard your partners say upon that subject?

Answer. I have heard them say that Captain Peck kept the account upon the part of the government.

Question. By what means, as far as you know, does Captain Peck, or whoever the government officer may be, ascertain that the accounts between you are correct?

Answer. I have not learned.

Question. Have any of your partners made any communication to you upon that subject?

Answer. No, sir, though it may have been spoken of.

Question. How, then, did you ascertain from your party that the government had any sort of means of ascertaining the fact?

Answer. My impression was, as I stated before, in the first place, that as the government purchased the cattle, and knew how many they had, they would know, of course, how many hides there would be.

Question. Can you say, outside of that inference, that you have the slightest knowledge, derived from any source whatever, of the means which the government possesses of ascertaining accurately the precise number of hides delivered to you?

Answer. No, sir.

Question. You are entirely ignorant of any understanding upon that subject?

Answer. Yes, sir.

Question. Has any party communicated to you any information touching that matter?

Answer. Not to my knowledge. There has been something said about an allowance being made to us upon hides taken from cattle killed away off in camps, and which were badly slashed; and about our not being bound to take them under our contract. The hides taken off in distant camps—as, for instance, at Bull Run—might be in bad order.

Question. What arrangement did you make in reference to that matter?

Answer. None.

Question. What did you do in relation to the hides taken off under such circumstances?

Answer. I was at Washington on Saturday, the day before the battle of Bull Run commenced, and word was brought in that there were some sixty hides out there rotting. We were not bound to take those hides, because they were outside of the District; but I gave my clerk a hundred dollars, with which to buy those hides of the commissary, or of the person who had the control of them, and to make a bargain with some returning government provision wagons to bring them into Washington. I made the same arrangement also as to the tallow; but I could not get my men off until Saturday night, and for some reason they did not get further than Alexandria that night, and did not leave Alexandria until Sunday evening. When they had proceeded part way they met the retreating soldiers, and were obliged to return.

Question. What became of the hides and tallow?

Answer. I do not know.

Question. Did you make any other arrangement as to hides taken off in distant camps?

Answer. No, sir.

Question. Have you given me all the information you have received from any source touching the method of obtaining precise accuracy as to the number of hides you receive?

Answer. Yes, sir; I am not satisfied myself, and have not been from the beginning, as I have not got information as accurately as I should like it.

Question. Have you received any information from Clarendon upon the subject?

Answer. No, sir.

Question. Have you heard Clarendon make mention of any arrangement between the government and the contractors in regard to that matter?

Answer. No, sir.

Question. Or any understanding between the government officers and the contractors?

Answer. No, sir.

Question. Have you heard Clarendon talk upon the matter of the enumeration of the hides?

Answer. I do not remember that I have.

Question. Does he talk a great deal about this contract?

Answer. Yes, sir.

Question. What has he said?

Answer. I have not heard him talk much, but I have heard from outside sources that he did. The matter seems to have elated him, and I suppose he thought he had made a much better bargain than he really did make.

Question. What did he say?

Answer. I believe I have stated pretty much all that he has said to me. I did not intend that anything should be said about the contract, but the first I knew everybody seemed to know that we had the contract. I traced out the source of the information, and I found it came from him. I knew there would be nothing gained by talking about it, and I rebuked him for what he had said.

Question. What did you hear that he had said?

Answer. Nothing in particular.

Question. What occasion, then, was there for rebuking him?

Answer. Because when we came home from Washington I told him to say nothing about the matter.

Question. And the first thing you knew you heard that the matter was known to every one?

Answer. Yes, sir; I told him I thought it strange, after what I had said to him, that the matter should get out through him. There was, of course, no secrecy about the matter, but I did not care to have it known.

Question. You found that his mind, as well as your own, was directed to the matter of the enumeration of the hides?

Answer. Yes, sir.

Question. What did he say upon that subject?

Answer. I have not heard him find any fault.

Question. What were the views he expressed upon that subject?

Answer. He has not expressed any views upon the subject.

Question. But he said something upon the subject, and I want to know what he said as to the means you had of ascertaining the precise number of hides you received?

Answer. I do not know that I have heard him say anything about being dissatisfied with the matter.

Question. That is not an answer to my question ; I want to know what he said to you about it.

Answer. There has not been a great deal said. Clarendon and I went to Washington together.

Question. I do not care about that ; I want to know what was said about the matter upon which I am interrogating you.

Answer. We were both dissatisfied, and did not like the manner in which things were carried on in Washington. We went on there together, but I remained only part of a day and returned, leaving him there. That was the first time we went there. The second time I went there was about the time of the battle of Bull Run. The third time I was there I remained only part of a day and returned, leaving him there. We were both dissatisfied, and he afterwards came home still dissatisfied ; but he never pointed out to me anything which he could lay his fingers upon as being wrong, though he was not entirely satisfied with the manner in which business was carried on there. He went on again, and when he came home he came home sick, and I did not see him until yesterday. He came over to my office again this morning ; he said things worked a little better.

Question. Did you and he have any conversation about the manner of providing board for your hands ?

Answer. No further than that, as we had hired that house, it would be better to board them there, and have them sleep there, so that we could have them on hand at all times when the hides come in ; that it would be handier and better even if it cost more.

Question. Did you hear Clarendon say anything about the manner in which he obtained a portion of the subsistence of these men ?

Answer. No, sir.

Question. Neither directly nor indirectly ?

Answer. Not that I remember ; I had been there myself, and had seen the men there, and had seen some provisions there, such as smoked tongue, and bread and butter.

Question. Have you any interest, directly or indirectly, in any other contract with the government beyond what you have already stated ?

Answer. No, sir.

Question. Have you ever had any interview with Secretary Cameron ?

Answer. No, sir ; I had a letter of introduction to him, but I had no occasion to use it.

Question. Did you have any conversation personally with General Ripley ?

Answer. No, sir.

Question. Under what circumstances was this last order for military equipments given to you ?

Answer. Major Hagner was employed by the government to go around and inspect all the shops where government work was being done, at Springfield and everywhere else. When he entered upon his duties he came to inspect our shop, and we were somewhat anxious about the matter, because the contract we had was a very large one, and I was apprehensive that our work would not all pass, because it was difficult to get men and stock suitable for the work. We were also fearful we would not be able to get the work completed in the

stipulated time; we did, however, accomplish it. I did not see Major Hagner after that. He called at the shop twice. Our equipments gave perfect satisfaction, because we left nothing undone which was necessary to make them perfect, and we were complimented upon making as good work as was ever made.

Question. Who negotiated the second contract, and was it made after application upon your part, or was it tendered to you?

Answer. Mr. Storms, I think, made an application.

Question. Where was the contract entered into finally?

Answer. Major Hagner came to our shop and wanted us to say what was the lowest price for which we would furnish 15,000 sets. As he was giving orders to other parties we put the price down, and he afterwards wrote us to make 15,000 sets.

Question. Was a contract made with any other parties at that time?

Answer. I do not know.

Question. How soon were you to deliver the articles?

Answer. Our order was to deliver them just as quick as possible. We wrote Major Hagner that we would deliver 2,500 sets a week, but we found it impossible, as we could not get men and stock enough.

Question. Have you been requested by any officer of the government to go to Washington, with a view to negotiate another contract?

Answer. No, sir.

Question. Is Hagner the only person connected with the War Department with whom you have had any intercourse in reference to these contracts?

Answer. The only one.

Question. Is there any gentlemen connected with the State government of New York with whom you have negotiated for these equipments?

Answer. No, sir.

Question. Is there any person, besides yourself and Mr. Storms, who participates, directly or indirectly, in the profits of either the first or second contract for equipments?

Answer. None except the firm I represent.

Question. Has any other person received any bonus springing out of them?

Answer. No, sir; Storms alone got the contract in the commencement, in the manner I have stated, and I afterwards became interested with him.

Question. Did you ascertain from him with what officer of the government, or what agent of the government, or what person in Washington city, he negotiated for obtaining that contract?

Answer. He told me he went to Major Ripley himself, showed him what he had been doing, and asked him if he wanted any such articles. Major Ripley asked him how many he could manufacture. He said 20,000. He could have got a contract for more if he had only said so.

Question. Are you acquainted with Wood, Commissioner of Public Buildings, in Washington?

Answer. No, sir.

Question. Have you heard him spoken of by Storms or by Clarendon?

Answer. No, sir.

Question. Did you never hear Storms mention the name of any other officer of the government, or the name of any broker, with whom he negotiated?

Answer. No, sir; I think I have heard other parties speak of some such man, but the conversation went in one ear and out the other. I have heard it stated that by paying certain men he might be better served.

Question. Did you hear the name of Commissioner Wood mentioned in that connexion?

Answer. It strikes me that that was the name I have heard mentioned, but I would not like to swear to it. It was stated to me in Washington that by laying in with him we might fare better.

Question. Who told you that?

Answer. It made so slight an impression at the time that I do not recollect.

Question. You never acted upon the suggestion?

Answer. I did not.

Question. Did Clarendon?

Answer. No, sir.

Question. Cannot you recall the name of the person who told you that?

Answer. I think it was Jackson S. Schults, but it might not have been he, and I would not like to say positively.

Question. Does he reside in Washington?

Answer. No, sir, but in New York, and the suggestion was made in New York. It was suggested to me in such a way that it made little impression upon my mind, and besides I had made up my mind never to have anything to do with such men.

Question. And no person, either officer of the government, or otherwise, has ever applied to you, by letter or otherwise, for any division of the profits, or for any bonus growing out of these contracts?

Answer. No, sir. Major Hagner is a person hard to approach. My interview with him gave me little satisfaction. I thought he treated me a little cavalierly, so much so, that I thought I would have nothing more to do with him. The last time he came to the shop he did not stay more than five minutes, so Storms said. He simply wanted Storms to make out a statement of the lowest price at which he could make the equipments, and of the time in which he could deliver them.

Question. You say you have received no telegraphic communication from Washington, requesting you to visit that city, with a view to making another contract with the government, or with a view to consummate a contract here?

Answer. Last week I received a telegraphic despatch inquiring what we could make those equipments for. The party who sent it, I understood, could get a contract.

Question. Did he mention the nature of the contract?

Answer. It was for military equipments.

Question. Was that before or after your last contract for the same articles was made?

Answer. After.

Question. From whom did you receive that despatch?

Answer. From John H. Jones, of Washington City.

Question. One of your partners there?

Answer. Yes, sir. I think the despatch came to Clarendon. Clarendon had been telling parties in Washington what we were doing here, and when he returned the last time he said that if he had known what the price was he could have made another contract. I did not pay any attention to the matter until this telegraphic despatch came to Burns and Clarendon. They sent it over to me to know what to do about it. I sent my son over to them to get the facts. He learned that there was nothing in it, further than that this party said he could get a contract from the State of Pennsylvania.

Question. Was anything said in the despatch as to the price?

Answer. The despatch was to ascertain at what price we would make them. I wrote a telegraphic despatch to be returned, stating that we could not fix upon a price until we had a sample of the articles wanted, and the time in which they must be furnished.

Question. Did you ever hear Jones or Boutler speak of this commissioner Wood?

Answer. No, sir.

Examination by Mr. Steele.

Question. You stated that the contract for military equipments was made with the government by Storms himself, and in his name alone. Upon what terms did you take an interest in it?

Answer. Mr. Storms had not the means of carrying out the contract, and I told him if he would give me one-half the profits, and I could see my way clear, I would go in with him. I took the matter into consideration for a few days, and finally concluded to go in with him.

Question. Did he propose any other terms than a division of the profits?

Answer. No, sir.

Question. What, in his conversation with you, did he estimate to be the profits of the contract?

Answer. I cannot say. I thought myself the contract ought to be a pretty fair one.

Question. You had some basis upon which you made an estimate of the profits; what was that estimate?

Answer. Storms represented that we ought not to make less than a dollar and a half on each set. There were 20,000 set.

Question. He thought you might make more.

Answer. Yes, sir.

Question. You have fulfilled the contract.

Answer. Not quite.

Question. And he did not give you to understand that, in procuring

the contract, any other influences were used than those you have named.

Answer. He did not.

Question. Would \$30,000 exceed or fall short of the profits of the contract?

Answer. I have never valued it at that myself, and I have not been able to ascertain what the profits are; they ought to be over \$20,000. The materials of that contract are so mixed up with the subsequent one that it is difficult to arrive at a correct conclusion as to the profits. We could not keep each contract separate, and we have taken no account of stock.

Question. But from your knowledge of making up these equipments, and from the estimates you have made, you calculate that the profits will be about \$1 50 on each set.

Answer. I think it may be. I buy for cash, and the leather business is my business, and for that reason I have facilities which other manufacturers have not. Storms is a first rate mechanic, and the manufacture of the articles require skill. One house had one-half of their work rejected, while we have not had fifty dollar's worth rejected.

Question. (By Mr. Holman.) I desire to know whether you, or, as far as you are informed, either Mr. Storms or Mr. Clarendon have had any communication, either by letter or telegraph, with Secretary Cameron, or with any person professing to or appearing to act for him, touching any contract with the government.

Answer. Never.

NEW YORK, *September 3, 1861.*

HENRY McLELLAN, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State the character of your business.

Answer. I am engaged in the hide and leather business.

Question. State to the committee what knowledge you have of a contract of Smull & Son and Clarendon and others with the government for the hides and tallow of the beeves slaughtered in the District of Columbia.

Answer. None except from hearsay and a slight conversation I had with one of the parties.

Question. Have you understood from any person the nature of that contract and of the manner in which the account was to be kept of the number of hides received by the contractors from the government?

Answer. I have not understood what the precise nature of the contract was. I have heard various remarks made about the matter, and I have also had some conversation with one of the parties.

Question. What have you heard as to the manner in which the accounts were to be kept of the number of hides received, and as to the sources of profit in the contract?

Answer. I heard in the office of H. D. Hall & Co., which is a broker's office and a sort of a public place, that all the hides were not to be accounted for—that they were to be under counted.

Question. From whom did you hear that, and by what arrangement was it said that thing was to be accomplished?

Answer. I have heard it talked about so much that I do not know that I can recollect exactly the individual from whom I heard it. I should think I have heard it said by a dozen or more persons that the object was to be accomplished by calling the number about two-thirds of what it really was.

Question. Name some of the parties whom you heard talking the subject over.

Answer. I believe I have heard it talked about by Frank A. Gale, for one.

Question. Between whom did you understand that the arrangement was made by which that mode of computation should be adopted?

Answer. I merely inferred, from a conversation held by me with one of the parties to the contract, that it was between the contractors and the agent of the government.

Question. State the name of the party with whom you had the conversation, and state what the conversation was as to the manner in which the account was to be kept.

Answer. I decline to answer that question.

The committee insisted upon an answer, and gave the witness time to determine definitely whether or not he would answer it.

NEW YORK, *September 3*, 1861.

THOMAS CLARENDON, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State your residence and the character of your business?

Answer. I reside in Brooklyn, and am engaged in a hide and leather business.

Question. State when you first became connected with the contract with the government for what is sometimes called the fifth quarter of the beeves slaughtered in the District of Columbia?

Answer. I think about the first of July.

Question. Where did you enter into that contract?

Answer. In Washington city.

Question. At whose instance did you go there for that purpose, if you went there for that purpose?

Answer. I went with Thomas Smull, in the first place, for the purpose of buying hides.

Question. Of whom?

Answer. We did not know of whom.

Question. When you arrived at Washington who did you find had control of the hides?

Answer. We found that three men, Boutler, Smith, and Jones had control of them.

Question. Did you seek to purchase the hides of them?

Answer. We did in the first place.

Question. Did you succeed?

Answer. We did not. A part of the hides were already upon the dock ready to be shipped to New York to be sold upon commission.

Question. What did those men tell you in relation to the character of the contract they had with the government?

Answer. Mr. Jones, a man that talks very big about things, represented the contract a much more favorable one than it ultimately proved to be. We found that we could not buy the hides, and Smull made a proposition to buy into the contract with these parties.

Question. What did Jones say about the contract and the source of profit?

Answer. He said they were to pay \$8 01 for the hide, horns, hoofs, and tallow of each bullock.

Question. What did he say about the extent of the transaction and the sources of profit?

Answer. He led us to believe that we could get 100 pounds of tallow out of each bullock.

Question. Both you and Small had been or were connected with that kind of business?

Answer. Yes, sir; more particularly in relation to hides than to tallow.

Question. Did Jones state any source of profits in connexion with the business other than the legitimate profits on the fifth quarter?

Answer. No, sir.

Question. Did he tell you of the manner in which the accounts were to be kept of the number of hides received, and of the amount of tallow?

Answer. No, sir. The hides were to be paid for every ten days to the government.

Question. With what officer of the government did he say the business was to be settled?

Answer. With Captain Beckwith.

Question. What did he say as to the manner in which Captain Beckwith himself kept the account; or how did Captain Beckwith ascertain the number of hides which were to be paid for?

Answer. He did not say anything about that, and I do not know.

Question. Upon what basis did Mr. Jones say these settlements every ten days were to be made?

Answer. There was to be a regular account kept of the number of beeves killed during every ten days.

Question. By whom was that account to be kept?

Answer. The government had a foreman, who gave in an account every ten days, and our account was settled upon that basis. The butchers were to furnish to Captain Beckwith, or his clerk, an ac-

count of the number of bullocks slaughtered, and he was to render a bill to us, and we were to settle upon the account so kept.

Question. Did you understand who the clerk was who had charge of that particular department?

Answer. I think his name was Captain Peck.

Question. How much time have you spent in Washington since you became a party to that contract?

Answer. I have spent a good deal of time, I have been in Washington every second week since, I think.

Question. Were you present at any one of the settlements?

Answer. No, sir.

Question. Did you see any of the accounts made up?

Answer. No, sir.

Question. Who kept your accounts?

Answer. Boutler kept them until we sent a clerk, by the name of Fay, from here; he then kept the accounts.

Question. When settlements have been made have they always been made according to his statement of the number of hides received?

Answer. I do not know anything about the settlements there; Mr. Boutler settled with Captain Beckwith and drew drafts upon us.

Question. Has there been any difficulty in the settlements?

Answer. Not that I know of; I never heard of any.

Question. Did you form a personal acquaintance with Captain Beckwith?

Answer. No, sir; I do not know him.

Question. How many butchers do the government employ?

Answer. I do not know. There is a foreman who has charge of two slaughter-houses; in another large slaughter-house I do not know how this matter was managed, unless it was by the butchers. There was a butchering establishment at Alexandria. At Georgetown the accounts were kept by a government man.

Question. Some person appointed by Captain Beckwith?

Answer. No, sir, I think not; I think it was a man who kept the account of the government stores and everything else at that point.

Question. What did you understand from Jones, or from any other member of the firm, or from your clerk, as to whether the accounts kept by the government and the accounts kept by your clerk tallied?

Answer. I never heard that there was any trouble about the matter; I never heard but what they tallied; the accounts were settled every ten days, and the parties there drew upon us for the money, and we paid the drafts.

Question. Do you know whether all the hides which were received by you were regularly accounted for every ten days?

Answer. I cannot say.

Question. Had you any source of information upon that subject?

Answer. No, sir.

Question. Have you heard anything said as to whether they were or were not; have you heard anything about it from any person connected with your establishment?

Answer. I never heard anything about the settlements; no one but Boutler had anything to do with that matter.

Question. Have you heard Boutler say whether all the hides received were accounted for, and whether there were any omitted?

Answer. Never.

Question. Did your firm get all the hides of the cattle slaughtered in the District of Columbia?

Answer. I think we did.

Question. If you failed to get any, of course you had not to pay for them?

Answer. We had to pay for them anyhow.

Question. Do you know whether you paid for any hides which were spoiled?

Answer. I know we did; I know that some hides came in from Alexandria on which the hair slipped; we paid for them.

Question. How do you know that the account for those hides was handed in?

Answer. I do not know, except through our clerk there; I suppose, however, the fault in relation to the hides was our own.

Question. You do not know whether they were counted in, in the settlement?

Answer. I think they were; I saw a few of them myself.

Question. How many?

Answer. Not many, that were damaged to any considerable extent.

Question. Have you ever said to any one that one source of profit in that contract was to be found in the fact that it did not become necessary, in the adjustment of accounts with the government, to render a full account of all the hides received by you?

Answer. I never said any such thing.

Question. Did you ever say, in stating the sources of profit, or in any conversation touching this contract or business, that there was any understanding between yourself, or some one of the contractors, or all the contractors, and any person acting on the part of the government, that any less number of hides should be accounted for than should actually be received?

Answer. Never.

Question. Did you never hear of any such thing from your partner or clerk?

Answer. Never from anybody; so far as I know, we pay for every hide we receive.

Question. What is this fifth quarter worth, under your contract, taking the average of the bullocks slaughtered?

Answer. I never made an estimate to know what the profit would be; we pay \$8 01 a head; for the hides we cannot get over four dollars each; I have no idea what the fat is worth; Jones told me we should get from 100 to 160 pounds from each animal; I have weighed the fat in some instances, and have found it to weigh as low as 60 pounds, and as high as 100 pounds to the head,

Question. You saw the character of the stock killed before you made the contract?

Answer. Yes, sir; we saw a number of cattle, and a number of the hides, before we made the contract.

Question. What has the interest you had in each animal killed been worth to you since you made the contract?

Answer. I really do not think it has been worth anything; I do not think it has paid us the interest on our money.

Question. That is to say, that the hide, tallow, &c., are not worth more than \$8 01?

Answer. I do not think they are. I would be willing to sign off my interest in the contract to-day, just give me back the money we have expended and a commission of five per cent. At the time I bought into the contract I expected to make more. It was rather a new branch of business to us, and we did not know how much we should get of hide and tallow from each beef. I made inquiries in Washington, and was there told how much they would yield. Jones said he got so much a head, and he made Smull and I believe him.

Question. What did you pay for your one-quarter interest?

Answer. \$2,250.

Question. Making the estimate of the value of the contract \$9,000?

Answer. Yes, sir.

Question. You think it was not worth more than that?

Answer. I do not think it was worth that. I could have made a good deal more money by not going into the thing at all.

Question. In carrying on your business you employed your own hands?

Answer. Yes, sir; we have got about sixteen laboring men.

Question. Do you board them, or do they board themselves?

Answer. We board part of them only.

Question. What number of them do you board yourselves?

Answer. About six, I believe.

Question. Who superintends the providing of your boarding establishment with provisions?

Answer. Our young man, Fay.

Question. How and from whom does he obtain the provisions?

Answer. We furnish him with money and he buys the provisions at different places, where he best can.

Question. Do you know by whom the beef used in your establishment is supplied?

Answer. I do not.

Question. Do you know whether or not it is supplied by the government?

Answer. I do not.

Question. What information, derived from any source, have you upon that matter; and what did Jones tell you upon the subject?

Answer. I have no information upon the subject. I do not know that Jones ever told me anything about it. I myself saw Jones get a piece of beef at the slaughter-house. I was in the wagon at the time.

Question. Government beef?

Answer. Yes, sir.

Question. Now I wish you to give the committee all the information you possess as to how the beef consumed by your men is fur-

nished, and in what manner it is furnished from beef slaughtered for the army.

Answer. I do not know that it is furnished from beef slaughtered for the army. I simply say Jones got one piece of beef of ten or twelve pounds weight from a government slaughtering-house.

Question. Is that all you have ever seen furnished at all?

Answer. Yes, sir.

Question. How did you understand from your clerk, or from any other person, that the beef consumed at your boarding-house was furnished?

Answer. I did not understand anything about it.

Question. Did you not understand that the beef necessary for supplying the establishment where you board your hands was furnished from the government beef slaughtered for the army?

Answer. No, sir; I never understood any such thing from any person.

Question. Do you say that such beef was not furnished from the cattle killed by the government?

Answer. I cannot tell.

Question. You have your own cook?

Answer. Yes, sir; I never had any time to attend to matters about the establishment. I was over in Virginia, where we were building a fat house to render the fat which was spoiling, early and late, and that business occupied all my time.

Question. Did you ask Jones what he paid for that piece of beef which you saw him obtain at the government slaughter-house?

Answer. I made no inquiries upon the subject.

Question. What did he say? Did he say he was entitled to the necessary amount of beef from the cattle so slaughtered?

Answer. He did not tell me anything about it.

Question. Did you not suggest to him that that beef belonged to the government?

Answer. No, sir; Mr. Jones himself cut it off, brought it out, and put it into the wagon. Neither Jones nor myself said anything about it.

Question. The government butchers were there?

Answer. Yes, sir.

Question. They saw the transaction?

Answer. I think they did.

Question. Did Jones ask permission to cut off the piece?

Answer. I think not; he cut it off and took it away.

Question. Was that the only beef you saw in your establishment?

Answer. That was the only piece I saw taken from the government slaughter-house.

Question. Do you know how other beef was furnished?

Answer. I do not.

Question. Have you had any occasion to mention to any person in the city of Washington, or in this city, other than to your partner Smull, the manner in which the accounts were kept between yourselves and the government?

Answer. No, sir ; parties have asked me several times, but I have never told them anything about it.

Question. Have you had any person tell you that they had understood that the mode of keeping the accounts was such as not to furnish the full number of hides obtained by you?

Answer. No, sir ; I do not think there was any such thing.

Question. Did you hear that such a rumor was in circulation?

Answer. No, sir ; I never knew but what we paid for every hide we got, and I really think we do.

Question. The point is this : Do you know, or have you learned from any source, that there was a rumor in circulation here, or elsewhere, that in settling your accounts with the government the full number of hides were not accounted for?

Answer. No, sir.

Question. Have you heard from any source that it was rumored or talked about in the portion of the city in which you reside, or elsewhere, that only about two-thirds of the actual number of hides received by you were to be computed in the settlement?

Answer. I never heard any such thing.

Question. Did you have a conversation with Mr. Smull as to the propriety of saying nothing about this contract about the time it was made, or shortly after?

Answer. No, sir.

Question. Did he not suggest that it was well enough to keep your business to yourself, and let people indulge in their own surmises?

Answer. I do not know but he did suggest that to me. We did not take this contract with the expectation of making anything more than commissions out of it. We thought that if we could make a clean commission out of the contract we would go into it.

Question. Do you remember whether Smull suggested to you that it would be well enough to say nothing about this contract?

Answer. We understood one another. I never told a man that I ever told what we paid.

Question. It was suggested to you by Smull that you should say nothing about the nature of the contract.

Answer. No, sir ; not about the nature of the contract, but about what we paid.

Question. Did you and Smull return from Washington together?

Answer. We came from Philadelphia together.

Question. Did he not, upon that occasion, suggest that the less said about this matter the better, and that it was your true policy to say nothing about it at all.

Answer. He may have done so, but I have no recollection of it. Mr. Smull is a close and prudent man in doing business, but I do not remember of his making any such suggestion.

Question. Have you, since it became generally known that the contract existed, had any conversation with him as to the impolicy of saying anything about it?

Answer. No, sir ; not to my recollection.

Question. Has he not rebuked you for talking about it?

Answer. Never.

Question. Has he not used some such language as might be construed into a censure for your making some remarks about the contract?

Answer. Not that I know of. We have never told what we paid or what we got. I have been asked about it. People thought we were making a great deal of money out of it. Men would come to us and say we were going to get rich. I would like to have it so; to have the game as well as the name.

Question. Do I understand you distinctly, with reference to your own statement, that you have never said to any person in this city or in Washington, that either by arrangement with the officer of the government, through whom the contract was made, or some subordinate, or by some implied understanding, or some other way, in making the settlements, you were not to account for the full number of hides you received?

Answer. I never said any such thing to anybody. I believe we have paid for every hide we have received.

Question. Have you intimated to any person, either in this city or elsewhere, that, by an arrangement between your firm and some person acting on behalf of the government, the book of accounts should be misplaced, and the number of cattle slaughtered, and the number of hides received, guessed at, and in that a large advantage would result from your contract?

Answer. I know that there was an account book lost by Jones, but I think Boutler had a full and straight account.

Question. Did not you yourself state to some person in this city or elsewhere that it was understood, either expressly or impliedly, that the books of accounts should be mislaid, and that in adjusting the number of hides only about two-thirds of them should be accounted for?

Answer. No, sir.

Question. Have you not been told by some person in this city that there was a rumor of that kind in circulation, and have you not, in the same connexion, admitted the fact?

Answer. Never. I never admitted any such fact, and never knew of any such fact. I never had anybody in this city intimate to me that there was any such rumor in circulation.

Question. Have you not had a conversation with a gentleman at your own house?

Answer. Never.

Question. I mean in reference to the manner in which the accounts were to be kept.

Answer. Never, I think.

Question. Or in reference to outdoor rumor as to the manner in which the accounts should be kept and the books lost?

Answer. Never.

Question. Have you any other contract with the government except this one?

Answer. No, sir.

Question. Do you know a gentleman by the name of Henry McClellan?

Answer. Yes, sir.

Question. Do you remember to have had a conversation with him in reference to the contract since it was made?

Answer. We are neighbors, and we have talked together frequently.

Question. Did you ever tell him anything in reference to the sources of profit in this contract?

Answer. I do not know but I might have told him. Those fellows down in the swamp thought we were making a tremendous pile of money out of the contract, and I wanted to keep their ideas up about it.

Question. But you do not remember to have told him how the profits were to be made.

Answer. I do not.

NEW YORK, *September 4*, 1861.

HENRY McCLELLAN, being recalled, was examined as follows :

Examination by Mr. Holman.

Question. I repeat the question which you declined to answer yesterday. State the name of the party with whom you had the conversation, and state what the conversation was, as to the manner in which the account of the hides received by you was to be kept.

Answer. That question I decline to answer.

Question. Were you before this committee yesterday? and if so, about what hour?

Answer. I was here until about two o'clock p. m.

Question. Are you aware of the fact that since that time Thomas Clarendon, one of the parties to the contract referred to, has been before this committee as a witness?

Answer. I infer so from certain circumstances.

Question. State those circumstances.

Answer. One was that I saw him coming up to the room of the committee; and the other was, I heard a conversation in a public room, not directed to me, implying that he had been here.

Question. A conversation with him?

Answer. A conversation by him.

Question. In that conversation did he state the substance of his testimony before this committee, or any part of it?

Answer. He certainly alluded to it and stated some points that had been up for examination.

Question. Did his conversation upon those points correspond with previous ones which you had heard him make upon the same points?

Answer. I can say this much, that it did not correspond with what I had heard from him before; not in all respects, at any rate.

Question. Did he, in a previous conversation had at his own house, tell you that in the adjustment of the accounts for the hides received

under his contract, and by an arrangement between the contractors and the person having charge of the business upon the part of the government, for a loss of the books or otherwise, the contractors were to account for only about two-thirds of the number of hides received, or in substance that?

Answer. That I decline to answer, because it is an inquiry into private conversation.

Examination by Mr. Dawes.

Question. Did Mr. Clarendon yesterday, after his appearance as a witness before this committee, complain to you that he had been inquired of as to a private conversation between you and him at his house?

Answer. He asked me how the committee came to ask him in regard to it.

Question. Did he complain to you that that conversation between you and him had got abroad?

Answer. He said just what I told you before.

Question. State what it was.

Answer. He asked if I was in the habit of repeating private conversations.

Question. Did he state to you what he himself had sworn to touching certain points in that contract?

Answer. I cannot say that he did; but he stated, anyway, that he paid \$8 01 for the hides, tallow, &c.; but I cannot say that he stated that he swore to that.

Question. I ask you if, after he left the committee, he stated over, in your hearing, what his testimony was touching certain provisions of the contract?

Answer. I say he stated what I have said; but I cannot say that he stated that he swore so and so.

Question. Did he, after he left the committee, offer, in your hearing, any explanation of any private conversation which he had had touching the matters upon which he had been examined?

Answer. He stated things which went to explain away what he had previously said, and showing that his previous statement was a mere yarn.

Question. Did he, after he was before the committee, intimate, in your hearing, that his previous statements in private conversations touching the same matter were mere yarns?

Answer. He did.

Question. Was there anything in the statement which he made yesterday which enabled you to tell whether the conversation of yesterday or the previous one was a yarn.

Answer. Nothing, except that the statement he made yesterday appeared the more reasonable one.

Question. You have no other data from which you can tell whether the statement made previously to you or the statement made yesterday was a yarn, except that the one made yesterday appeared to you to be more reasonable?

Answer. Well, I have some other reasons of my own.

Question. (By Mr. Holman.) I now repeat the question of yesterday, and the one I first put to you to-day. Will you answer it?

Answer. I must decline.

By Mr. Washburne, acting chairman. The committee have decided that you must answer the question. It is a question which there is a power to enforce an answer to, and we shall report your refusal to the authority under which the committee acts.

NEW YORK, *August 30, 1861.*

ARCHIBOLD M. ALLERTON was sworn and examined as follows :

Examination by Mr. Steele.

Question. Where is your residence, and what is your business?

Answer. I reside in this city, and my business is buying and selling cattle.

Question. Have you within the last three months sold, either directly or on commission, cattle to the government?

Answer. Some cattle we sold went to the use of the government.

Question. You did not sell them to the government directly?

Answer. No, sir; we sold them to Sibley, Tyler, Dyer & Lauman.

Question. What was their business?

Answer. I do not know. I only understood they had a contract with the government.

Question. In selling those cattle what prices did you get, and in what quantities?

Answer. We got six and one half cents a pound for those delivered in Washington, and five cents for those delivered in Pennsylvania, live weight.

Question. How many did you contract for with those individuals?

Answer. I do not know. I never read the contract. I understood 10,000, but we delivered only about 800 head in Washington, and 1,500 at Harrisburg.

Question. Do you know whether those individuals got any cattle from any other parties than yourselves?

Answer. I do not.

Question. Did you agree to deliver them any particular number?

Answer. I do not know. The contract was made and I signed it, but never read it.

Question. But you must have known the contents of it.

Answer. I do not know as I did. My brother had the whole management of the matter. It was a busy day selling cattle, and I signed the contract, trusting to my brother entirely to have it straight.

Answer. Then you do not know whether you were to deliver them more than 800 head in Washington and 1,500 at Harrisburg?

Answer. I do not know, but I believe it was more.

Question. How did it happen that you did not fulfil the contract?

Answer. I understood the contract was abrogated by the government. That is all I know about it. It is only hearsay.

Question. You then chose to relieve the gentlemen who made the contract with you?

Answer. There has been nothing said about it, and nothing has been done about it. Their contract was abrogated, and therefore ours fell through.

Question. You had no interest in the contract with the government.

Answer. None at all.

Question. Were those fair market prices at those points?

Answer. I do not know.

Question. What payments did those gentlemen make you?

Answer. The first payments were drafts on the treasury, and the last two or three payments were treasury notes.

Question. You received the same kind of payments that they received from the government?

Answer. I presume so.

Question. You have related all you know about the transaction?

Answer. I have, except as to what prices they received from the government.

Question. What were they?

Answer. Eight cents per pound delivered in Washington, and $5\frac{3}{4}$ cents in Pennsylvania.

Question. You say these men paid you in treasury notes, &c. What security had you before that?

Answer. We received our pay directly from the government, I believe. I understood it so.

Question. Did they turn over to you?

Answer. Yes, sir; I believe so.

Question. What was the date of this transaction?

Answer. I do not know. I could have looked at the papers and told you all about it.

Question. Were not your prices high for delivering cattle in Washington and Pennsylvania?

Answer. I do not think they were.

Question. Could you not yourselves have delivered the cattle to the government just as cheaply?

Answer. Yes, sir; and would rather have done it.

Question. The difference between their prices and yours was clear profit to them?

Answer. I do not know. I do not know what expenses they were to.

Question. Could any quantity of cattle have been delivered at your prices at that time?

Answer. Well, I do not know. We had to pay high prices for getting them to their destination. As soon as the route through Baltimore was opened the facilities of delivery were improved and transportation was cheaper.

Question. Was stock in market as high then as at any other time this season?

Answer. Much higher than at any other time since, with the exception of this week. Cattle have sold high this week, but perhaps not so high as then.

Question. In killing cattle weighing 1,400 pounds what are the hide, fat, &c.—or what is called the fifth quarter—worth?

Answer. That depends upon the quality of the cattle you have. A bullock may often weigh 1,400 pounds and be poor at that.

Question. I speak of fair average cattle.

Answer. In New York it would be worth from one to one and a half cent on what the bullock will weigh when reduced. If it will weigh 800 pounds it would be worth from \$8 to \$12. A bullock that will weigh 1,400 pounds on hoof will probably weigh 800 pounds dressed. Some may be worth more and some less. Some will be worth more than others which look nearly as fat.

NEW YORK, *August 30, 1861.*

JOSEPH H. WILLIAMS was sworn and examined, as follows:

Examination by Mr. Steele.

Question. Where is your residence?

Answer. In this city.

Question. Can you tell the committee anything about the contract in which Mr. Allerton was engaged in furnishing cattle to the government?

Answer. The Allertons and myself made a contract with Sibley, Tyler, Laughman & Dyer to furnish beef for the government.

Question. What were the terms of the contract?

Answer. We made a contract with those men for the fulfilment of their contract with the government.

Question. You took the contract, then, as it were, off their hands?

Answer. Yes, sir; at a stated price agreed upon.

Question. What was the price?

Answer. The price we were to receive was 5 cents per pound, live weight, delivered in Pennsylvania, and 6½ cents delivered in Washington. That was what we were to receive, and what we did receive.

Question. Do you know what they were to receive?

Answer. Yes, sir. According to their contract, which I read, they were to receive 5¾ cents per pound in Pennsylvania, and 8 cents in Washington.

Question. Then you took upon yourself all the obligations of the contract?

Answer. Yes, sir; we took the contract at the figures I have mentioned off their hands, and they did nothing but receive their profits upon the cattle.

Question. Is that all they did?

Answer. Yes, sir; after we took the contract.

Question. Did they themselves deliver any cattle under the contract?

Answer. Not to my knowledge.

Question. Or by any other parties than yourselves?

Answer. None to my knowledge.

Question. How many head were delivered?

Answer. I think we delivered in Washington 797 head, and 1,500 in Harrisburg.

Question. By their contract with the government how many were they to deliver?

Answer. We claimed that they had the privilege of delivering 10,000 head; but as soon as the facilities for delivery were opened, they stopped receiving cattle at Washington, but made us deliver at the lowest price at Harrisburg, Pennsylvania. Those we delivered in Washington we delivered with great difficulty, and they got eight cents a pound for them; but as soon as we could get them over the roads easily, the government stopped taking them there. They thus cut us out of a good many thousand dollars.

Question. If the government had applied to you to furnish these cattle, you being dealers in cattle, you would have been glad to have made a contract with any agent of the government at the same price you got from these gentlemen?

Answer. I should think we would. We have no choice with whom we make contracts, provided they are responsible parties; but at the time we made the contract we did not look upon it as being as great a thing as it was, because we had to send our cattle around. While there was no risk of our cattle being taken from us, there was a fair margin of profits. But I think we made as much money as they did. They made one dollar and a half on every hundred pounds delivered in Washington, and three-quarters of a dollar on every hundred pounds delivered in Pennsylvania.

Question. You mentioned the number of head you delivered. Do you know the round weight?

Answer. I do not remember. The first 1,000 head weighed about 1,400 pounds each, but the subsequent ones would perhaps average 1,350 pounds.

Question. Suppose you figure out what they weighed, and estimate the profits they made?

Answer. The witness, after figuring, answered: Their profits would amount to about \$16,800 on those they delivered in Washington, and about \$14,600 on those delivered in Pennsylvania. On a rough estimate I should say they cleared \$30,000.

Question. Did you so far assume their contract as to receive their money from the government?

Answer. No, sir; they received the money and we divided it as it was received. We had a party there to take our portion when it was received.

Question. Were either of those gentlemen engaged in the stock business?

Answer. I think not. Dyer used to be a packer in Chicago, I believe; but in the live-stock business they had no experience.

Question. Did you know the responsibility of the parties?

Answer. No, sir.

Question. Or their business?

Answer. No, sir.

Question. Had you any understanding with them before they got the contract?

Answer. No, sir; we heard that the contract was given out; that Dyer had the contract two or three days prior to the time we got it. We went to Philadelphia and met Dyer there, and we entered into a contract to take it off their hands.

Question. What, in round numbers, were your profits in your contract with them?

Answer. We have never figured it up exactly, but they could not be far from \$25,000 or \$26,000. If we had had a fair shake at delivering a fair proportion of the cattle in Washington, we should have beat them in profits.

Question. Whom was this contract made with at Washington?

Answer. It was made with Beckwith.

Question. Who signed their contract?

Answer. It was signed by Beckwith and confirmed by the Secretary of War.

Question. Did you understand who ordered this contract stopped?

Answer. Beckwith gave directions to the commissary at Harrisburg to receive 1,500 head, and not one more. I tried to get one more in, but they would not take it. I was willing to deliver the whole contract of 10,000 head, and I think we ought to have had the privilege of doing so under the contract.

Question. Did not the government reserve the right to annul the contract at any time?

Answer. The contract did not so specify, but they so construed it. It read "from 2,000 to 10,000 cattle, as they might want them, and where they wanted them."

Question. What are the hide, fat, and refuse of cattle worth, weighing, say 1,400 pounds?

Answer. That depends on the quality of the cattle. If they are good, heavy, fat cattle, they would be worth from ten to twelve dollars a head—perhaps more upon very fat cattle.

Question. You know the character of the cattle delivered to the government. Would the fifth quarter, as it is called, be worth twelve dollars for such cattle?

Answer. I think not; and the hides, fat, &c., are not worth as much in Washington as in New York.

Question. On fair merchantable cattle, weighing 1,400 pounds and upwards, what would the fifth quarter be worth here?

Answer. In Washington they strip out all the kidney fat, and that makes more fat than when you leave that in, as they do here. It is easy to calculate the value. The hides would weigh in the neighborhood of 100 pounds each, which at five cents a pound would be five dollars; the fat, say 120 pounds, is worth six cents a pound, which would be seven dollars and twenty cents—that would be about twelve

dollars a head ; the feet, horns, &c., is considered as part of the offal. I should think twelve dollars would be a fair value in this city.

Question. What would be the difference in the value of those articles in this city and in Washington?

Answer. I do not know as I would be a competent judge of that. I believe the government made a contract there for eight dollars a bullock.

NEW YORK, *September* 25, 1861.

DAVID ALLERTON was duly sworn and examined, as follows :

Examination by Mr. Washburne.

Question. State your residence, and the character of your business.

Answer. I reside at No. 89, West 44th street, New York. I keep the New York cattle market, and deal in cattle.

Question. Have you, in the last five or six months, either directly or by commission, sold any cattle to the government, or for the use of the government?

Answer. Yes, sir. In May, June, and July last, I sold cattle for the use of the government to the extent of 2,297 head.

Question. Did you sell them directly to the government, or to third parties?

Answer. To third parties.

Question. State their names and residences.

Answer. George M. Lauman, of Pennsylvania, Thomas Dyer, of Chicago, A. H. Sibley, of Michigan, and Hugh Tyler, of New York city.

Question. State what has been their former business.

Answer. Dyer has been a beef packer, Lauman a railroad contractor, I believe Tyler is a lawyer, and I do not know as he has any other business, and Sibley has been for the last two years in railroad business, and is now, I believe, connected with a railroad in Michigan.

Question. Have they been cattle dealers heretofore?

Answer. I have heard Dyer was a large purchaser in Chicago for several years, and that Sibley was engaged in the same business, to some extent, in California.

Question. Your transactions were with those men?

Answer. Yes, sir. About the 1st of May I heard that they had made a contract with the government, and I went to Philadelphia to meet them. Met Dyer; he telegraphed to New York to Tyler and Sibley; Sibley came back to Philadelphia that night, and I made a contract with them based upon their contract with the government, to fill it at a certain rate per pound.

Question. What was their contract with the government?

Answer. They were to receive eight cents per pound, gross weight,

delivered in Washington at the risk of the seller, and $5\frac{3}{4}$ cents per pound, gross weight, delivered at any point in Pennsylvania, on board of a vessel.

Question. What were your prices with the original contractors?

Answer. It was $6\frac{1}{2}$ cents per pound, gross weight, in Washington, and 5 cents per pound, gross weight, in Pennsylvania. They told me that there was an understanding that the largest portion of the cattle were to be delivered in Washington. The contract called for 2,000 to 10,000 cattle—2,000 certain, and 10,000 if the government should want that many. It was stated to me to be the understanding between them and Captain A. Beckwith, commissary of subsistence, at Washington, that the above was the construction of the contract, as understood between the contracting parties.

Question. How were you paid, and by whom?

Answer. I was generally present when the payments were made to A. H. Sibley, who had the management of the business. In two instances he handed me the drafts of the United States Treasurer on the Assistant Treasurer in New York, which were in large amounts, and I paid each partner his proportion. At other times I was partly paid in drafts on New York, and partly in gold and treasury notes, by Mr. Sibley. I was generally present when the money was divided between the partners, viz: Sibley, Lauman, Dyer, and Tyler.

Question. How many cattle did you deliver at Washington?

Answer. Seven hundred and ninety-seven head, weighing 1,136,765 pounds.

Question. How much did they come to at your price, and how much at their price?

Answer. At their price	\$90,941 20
At my price.....	73,889 72

17,051 48

Question. What is the difference?

Answer. \$17,051 48.

Question. How many did you deliver at Harrisburg?

Answer. Fifteen hundred head, weighing 2,028,892 pounds.

Question. How much did they come to at their price?

Answer. \$116,661 29.

Question. How much at yours?

Answer. \$101,444 60.

15,216 69.

The above two amounts make \$32,268 17.

Question. Are the above two amounts all profits to them?

Answer. Less expenses it is.

Question. What expenses had they?

Answer. Some feed bills and travelling expenses.

Question. Was your contract with them, with the exception of price, the same as theirs with the government?

Answer. Yes, sir; I took all the advantages and disadvantages of

the contract with the government—payment and everything of that kind.

Question. Could you have furnished the cattle to the government just as well, and at the same price you did to them?

Answer. Yes, sir; at that time. What price I would have asked had I been in Washington when the contract was made, I do not know.

Question. How long after the date of their contract before you contracted with them?

Answer. I cannot say; I think a week.

Question. Why would you have made a difference?

Answer. At the time they made the contract communication between Philadelphia and Washington was cut off. When I made the contract with them I was satisfied that I could get through with cattle, as the railroad company between Philadelphia and Perrysville offered to receive and transport them to Washington for a stated price.

Question. What was that price?

Answer. \$6 per head.

Question. State what were your profits on the contract.

Answer. I cannot tell, as I handled a large number of cattle in connexion with those delivered to the government.

Question. Tell as near as you can.

Answer. Somewhere between \$12,000 and \$15,000, I should think.

Question. So the total profits were somewhere about \$44,000?

Answer. I should think, after deducting expenses, it might be \$40,000.

Question. Did you furnish all the cattle you agreed to furnish?

Answer. No, sir.

Question. What was the reason?

Answer. I suppose they thought they could get them for a less price.

Question. Were they offered them for a less price?

Answer. Yes, sir.

Question. By whom?

Answer. By different parties—the contractors and others.

Question. What was the reason?

Answer. Cattle had fallen in price, and the rates of transportation had been lowered.

Question. How were the payments made by government?

Answer. From three days to twenty after delivery of the cattle, I think.

Question. In what was you paid?

Answer. In drafts on New York, a small amount in gold, and about \$53,000 in ten years 6 per cent treasury notes.

Question. Were you a large dealer in cattle?

Answer. Yes, sir.

Question. Why did you not go to Washington and contract with the government directly?

Answer. I tried to get there several times, but I could not do so, communication having been cut off with the north in consequence of the Baltimore riot; and the contract was made before it was reopened.

Question. How did you hear of this contract?

Answer. Thomas Dyer showed the contract to an acquaintance of his who came on with him from Washington, by the way of Annapolis, to Philadelphia, and then to New York, where he gave me the information, and I went immediately to Philadelphia to find Dyer; I did so, and made a contract with the parties.

Question. What was the average weight of your cattle?

Answer. 1,378 pounds.

Question. What was the quality?

Answer. First class.

Question. Were your cattle inspected?

Answer. Yes, sir.

Question. By whom?

Answer. In Washington, by a man whose name I do not recollect, and by Captain Peck.

Question. Were any rejected?

Answer. No, sir.

Question. Were those inspected which were delivered by you in Harrisburg?

Answer. Yes, sir.

Question. By whom?

Answer. By a man appointed by Captain Du Barry, C. S.

Question. Were any rejected?

Answer. Yes, sir.

Question. How many?

Answer. Four, I think.

Question. For what reason?

Answer. As being too light and not very fat. The cause was this: I was called upon to deliver two hundred head *extra at two days notice*, and I was compelled to buy as I could. I wished to accommodate the government, and I therefore bought some 300 head, from which I selected the light and thin cattle which I sold at a reduced price.

Question. Was the number stated that you were to deliver each week?

Answer. I was furnished with a letter from Captain Beckwith, commissary of subsistence, United States army, to Captain Du Barry, commissary of subsistence, United States army, at Harrisburg, instructing him to receive no more than 200 per week, and I was also notified that no more than this number would be accepted, but shortly afterwards, there being a pressing need for more cattle in Washington, I was asked to help the government by a larger delivery in Harrisburg, notwithstanding the previous order. To do this I was obliged to pay higher rates and purchase cattle as I could find them. During one week I delivered four hundred head and the next week three hundred, which were the last delivered under the contract.

Question. Why was it that you delivered cattle in Harrisburg and they were reshipped to Washington?

Answer. The government claimed that by the wording of the contract they had a right to receive them at the lowest price named in it.

Question. Was there any other advantage to the government?

Answer. No, sir ; but a disadvantage.

Question. In what way ?

Answer. I could deliver cattle in Washington at about \$3 per head less than they could, as my cattle were billed through from the West to New York, with the privilege of going to Baltimore or Philadelphia at through rates ; whereas if the government, or any other party, received them in Harrisburg and reshipped them, they would be charged local rates. I was consequently enabled to ship them for government at a less price, and I contracted with Captain Du Barry to take them through for local rates, I to furnish men to go in charge and feed them and deliver them in Washington, I running all risks between Harrisburg and Washington.

Question. Do you know of any advantage accruing to the government by accepting cattle at Harrisburg to be used at Washington and reshipped to that point by them ?

Answer. No, sir ; it is a disadvantage.

Question. In what way ?

Answer. There is a loss of weight in transportation, and the risk of damage to the cattle by being bruised, &c.

Question. Do you know any reason why government accepts cattle at Harrisburg and then pays local freight ?

Answer. I do not, unless they wish to give the contractor better weights.

Question. Why can they get better weights at Harrisburg than at Washington ?

Answer. It is a better place to feed, and water is plenty.

Question. Would it not be for the advantage of the government to contract for cattle, wanted in Washington, to be delivered there ?

Answer. Yes, sir.

Question. For what reason ?

Answer. They run no risk of transportation, no loss of weight, and the commissary of subsistence can see that the contract is complied with as far as quality and order is concerned.

Question. What is the difference in value to the government between the kind of cattle you delivered and the kind they are now receiving ?

Answer. In my opinion there is one and a half cent per pound, gross weight. The reasons are that thick cattle, such as were delivered by me, will give from 55 to 60 per cent. of beef, when poor or thin cattle will not yield over 45 to 50 per cent. The fifth quarter, or hide and fat, in thick cattle is worth nearly double that in thin ones, the beef is much more tender and nourishing, and the amount of bone is about the same, the difference in weight being fat and lean meat, as a good fat steer has more flesh than a poor one as well as more fat.

Question. Do you know of any person being employed by the present contractors to stay in Washington to attend to their business for them ?

Answer. Only from hearsay.

Question. What have you heard, and from whom ?

Answer. I heard Thomas Dyer say that a Mr. Beckwith, a lawyer,

from Chicago, and a brother of the commissary of subsistence at Washington, was employed by the contractors to look after their interest in that city; that one of the parties told him so.

Question. Did you see this lawyer there?

Answer. I did.

Question. Where?

Answer. In the commissary's office and at Willard's.

Question. More than once?

Answer. Yes, sir; several times.

Question. Do you know of his having any other business in Washington?

Answer. I do not.

Question. Have you visited the slaughter-houses of the government and seen how business was done there? If so, give me a statement of it.

Answer. I have been there several times, and think it is badly managed; the time of killing during hot weather was wrong; the cattle should have been killed at night, so that the beef could get cool and lose the animal heat, whereas they were slaughtered in the daytime, cut down hot, and so sent to the soldiers. In my opinion it is not wholesome, nor can it be cooked in that state and be made tender and palatable.

Question. Is there any other part of the management wrong? If so, state it.

Answer. I think the whole system is wrong. The different regiments have to send for their meat, and more teams and men are employed than are required by one-half. I think the proper way would be to have some competent man to take the entire charge of the slaughtering and delivery of meat under the order of the proper officer. One team could deliver to several regiments from each load, the meat should be cut in a proper manner and divided, and no one but a good butcher is competent to do it. You cannot expect a soldier educated at West Point to be either a good driver or butcher; it is not his trade. I do not think there is any disposition to manage badly but there is a want of knowledge in the business.

Question. What would be the best way to dispose of the hide and fat, or fifth quarter?

Answer. By the pound.

Question. Give your reason.

Answer. The government would then get paid for all they have. More men would bid for it in that way as they would know what they were doing; whereas by the head it depends on what the weight and quality are as to its value.

Question. Is there no waste of beef in trimming?

Answer. I think there is. The necks and shins are cut off much higher than is necessary.

Question. What is done with the trimmings and the tongues?

Answer. I am of opinion that the trimmings are given away, and the tongues go to the butchers.

Question. Do you know anything about what kind of cattle are now being delivered to the government?

Answer. Yes, sir.

Question. Will you explain what they are?

Answer. I will as far as I have seen them. I have seen three or four droves of the first that were delivered, they were of a very inferior quality and poor. I have seen others since, as they arrived in Washington, some of which were bought by officers of the government in consequence of the failure of the contractors to deliver the number called for under their contract. I have seen but one small drove that were of good quality. As a general thing they were thin cattle and unfit for slaughtering.

Question. Have you seen any delivered and weighed off?

Answer. Yes, sir. About the 23d August I was at Harrisburg and saw about 200 head weighed off to government. They were light cattle and not fat. They averaged about 1,150 pounds. There was no person on the part of the government there to inspect, receive, or attend to the weight at that time.

Question. Do you know as to the weight of others?

Answer. Only by hearsay.

Question. What have you heard?

Answer. Mr. Bartell, who keeps the yards at Harrisburg and does the weighing, told me that the cattle would not average over 1,150 pounds; and that the lot he weighed at that time was better than an average, or fully as good as any he had seen delivered since my last delivery.

Question. Is there no person employed by the government to attend to the receipt and weighing of cattle?

Answer. I believe there is a butcher in Harrisburg who has been appointed to inspect cattle. Also one to attend to the receipt of them.

Question. Who is commissary at Harrisburg?

Answer. Captain Du Barry.

Question. Does he ever look at the cattle?

Answer. He did when I delivered cattle, and he employed a good fair judge to inspect and receive them; but when the new contractors began to deliver, their cattle were so poor he declined to receive them. Upon this Captain Beckwith sent Captain Peck to Harrisburg to attend to the delivery, and he received the whole lot refused by Captain Du Barry, except about sixteen head. There was a butcher called to examine them who decided that they were merchantable cattle, and they were received.

Question. Who employed the butcher to make the examination?

Answer. I do not know.

DAVID ALLERTON

TESTIMONY

IN RELATION TO

THE PURCHASE OF HORSES AND WAGONS.

NEW YORK, *September 6, 1861.*

GEORGE H. METCALF, being duly sworn, was examined, as follows :

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in this city, and keep the Bull's Head hotel, corner Twenty-fourth street and Third avenue.

Question. Are government contractors in the habit of stopping at your house?

Answer. Yes, sir ; and there have been a few around there buying horses.

Question. Who are they?

Answer. Phillip Copeland is one of them, and he is at my house now. Also Charles Witson, who lives in Brooklyn, but has a stable in Twenty-fourth street. He has also a contract with the government through Lieutenant Colonel Kilpatrick.

Question. Are there any others?

Answer. No others. This Copeland only buys horses for other parties in Philadelphia. A Mr. Taylor also had a similar contract, which came through Kilpatrick ; but I understand he has given it up.

Question. Have either of these men bought any horses, to your knowledge?

Answer. Yes, sir ; they have bought a good many. Witson sent off thirty-two this week—Monday.

Question. Where did he buy them?

Answer. He bought most of them in the street there.

Question. What prices did he pay?

Answer. I do not know.

Question. Do you know whether he bought them under a contract he held, or as agent of the government?

Answer. He paid his own money for them, and sold them to the government, I understood.

Question. Who received the horses?

Answer. Colonel Kilpatrick and some other man—an agent, I believe.

Question. Who examined the horses?

Answer. This man who was with Kilpatrick. I do not know his name.

Question. Do you know how much Witson paid for those horses?

Answer. I do not.

Question. What did the government allow him for them?

Answer. One hundred and twenty dollars each, delivered in Washington. He had to pay the expenses to Washington. They will net him one hundred and fourteen dollars here.

Question. Did you look at those horses?

Answer. I saw some of them. They were a very good lot. Some fifteen of them he bought at the Tattersalls, corner of Thirty-ninth street and Sixth avenue, from some countryman, who has gone home.

Question. Do you know what he paid for them?

Answer. No, sir. I know only the price of one horse. For that he paid one hundred dollars.

Question. Do you know anything about the purchase of cattle by the government near your place?

Answer. No, sir; those purchases have been made in Forty-fourth street, I believe.

Question. Do you know of any persons, except those you have already mentioned, who have been connected with the purchase of horses for the government?

Answer. None, except a man at the corner of Green and Mercer streets.

Question. Who was he?

Answer. I do not know; I believe they were bought for Colonel Tompkins, assistant quartermaster. A man by the name of Breckenridge inspected them.

Question. What is his business?

Answer. I do not know as he has any business; he is a good judge of horses.

Question. Is he employed by the government to inspect horses?

Answer. I believe he is.

Question. What is his character?

Answer. He is quite a good man, as well as a good judge of horses. He inspected them rather too closely to suit the men up there.

Question. Have you bought any horses for sale to the government?

Answer. No, sir; though I sold four down on Grand street.

Question. At what price?

Answer. \$490 for the four.

Question. How came the government to exceed its maximum price in purchasing horses from you?

Answer. They did not do so; they were paying more at that time, and paid more than \$125 for some horses.

Question. When did you make that sale?

Answer. More than two months ago.

Question. Were the horses purchased under contract?

Answer. No, sir; but under the direction of the quartermaster.

Question. What is the present mode of purchasing horses?

Answer. By contract, or directly through the quartermaster; but through contractors principally.

Question. What are the prices generally paid by the government at this time?

Answer. They have not paid to exceed \$100, as far as I can hear; or that is the price at which they are actually purchased; I do not know what the contract price with the government is.

NEW YORK, *September 6, 1861.*

JOHN O. TAYLOR was sworn and examined, as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in this city and deal in horses.

Question. Have you had any dealings with the government in relation to horses? and if so, state what they have been.

Answer. I suppose I have had dealings with the agent of the government. The first man that said "government" to me was Mr. Augur, of this city. I do not know his first name. He said to me, "I want to buy four horses and some other property for the *Anderson's Zouaves*." That was when they were fitting out, and before they left for Washington, some four weeks ago. Says he: "There are six horses there, and a top-buggy and two sets of harness I will buy for them." I said to him, "what do you want of the harnesses and top-carriage." He said "never mind that, I am authorized to buy these things." Says I, "who authorized you?" He said "James L. Dayton, No. 111 Nassau Street, will tell you that it is all right." I went down to see Mr. Dayton, and, after waiting a long while, I found him. In reply to my questions he said "whatever Mr. Augur does will be acknowledged by the government, and will be all right; he has been authorized to equip the *Anderson Zouaves*, and whatever he does will be right." Upon that assurance I let Mr. Augur have the property I have mentioned, amounting to \$970 worth. I let him have it at about cost, and did not make a cent upon it. The quartermaster of that regiment gave me a certificate of the delivery of that property. The colonel of the regiment also gave me his certificate of the want of such horses and property for the government, and also gave me his receipt for them. The receipt I got from Colonel Riker, of that regiment, read, substantially, in this way: "Received of J. O. Taylor the following articles."

Then followed an enumeration of the property; but there were only four horses mentioned, instead of six, and nothing said about the carriage and harnesses; but the price put upon the four horses was equal to that of the six horses, and all the other property I sold—\$970. I

said that would not do; that the government would not pay such a price for the horses; that I understood they were paying only about \$125, and this bill makes them worth over \$240 each. He replied, "Never mind; the regiment has the privilege of buying what they want for themselves, and they want this property." I afterwards understood that Augur took the top-wagon and one horse for his own use, and that James L. Dayton took another horse, or at least that it was delivered at his stable, and the other four horses the quartermaster of the regiment came to my stable and got. A few days after the property was delivered I saw Mr. Dayton and asked him when I should get the pay. He said it would be thirty days; that when he went to Washington he would get the account acknowledged by the government, and would get the money for me. From that day to this I have not been able to find James L. Dayton, and I have not been able to get my pay. I did not want the transaction to go into the bill in that way and protested against it.

Question. Who was the officer of the government who first came to you?

Answer. Augur, I think, was a mere go-between. The first military man who came to me was the quartermaster of the *Anderson Zouave* regiment.

Question. Augur, I understand, comes and makes the bargain with you.

Answer. Yes, sir.

Question. Then what does he bring to you from the officer of the government?

Answer. The quartermaster of the regiment himself.

Question. Then what does the quartermaster do?

Answer. The quartermaster gives me a requisition upon the government for the payment of four horses, amounting to the value of the whole property I sold to Augur—\$970—and Augur takes two horses and the carriage, one of which horses he keeps himself and the other he carried over to James L. Dayton.

Question. What other transaction had you with any other officer of the regiment?

Answer. None other than that with the quartermaster. He presented me the requisition of the colonel upon the government for four horses.

Question. The quartermaster said the regiment had a right to buy what they wanted?

Answer. Yes, sir.

Question. Did you say to him that you had sold the six horses and the other property for that price?

Answer. No, sir. I said to Augur that was too high a price, and that the government would not acknowledge any such bill as that. The quartermaster was present.

Question. Did you ask the quartermaster why the requisition was made out for four horses, instead of six?

Answer. No, sir.

Question. Did you inquire of him why the bill was made out for

four horses, when you had sold six, with a carriage and two sets of harness?

Answer. No, sir; I did not, because I supposed he understood it. I only said that it looked all wrong.

Question. Did Augur tell you what he wanted to do with the carriage?

Answer. He came the next day after the horse and carriage, and I asked him why he did not deliver them to the government. He replied, "This is my property. I want to make something out of it myself."

Question. When he purchased the property you asked him what the government wanted to do with the top-carriage. What did he say?

Answer. He said the officers had a right to what they wanted, and that they wanted this carriage for their own convenience.

Question. He represented himself as buying it for the government?

Answer. Yes, sir.

Question. But he told you the next day, when he came for the two horses and the carriage, that that was his carriage; that he wanted to make something out of the transaction, and that Dayton was to have the other horse?

Answer. Yes, sir; I did not like the shape of matters, and yet it had gone out of my hands, and I could not help it.

Question. Have you made any report of this matter to the government?

Answer. No, sir, no further than that I have tried to get my pay. I have spoken about it to almost everybody I have come in contact with.

Question. Who is Mr. Dayton, and where is he?

Answer. I understood that he went on with the regiment, but I understand now that he has returned.

Question. And the bill has not been paid?

Answer. No, sir.

Examination by Mr. Dawes.

Question. Then you knew at the time the four horses were delivered, and you took a requisition upon the government, with the price carried out for \$240 each, who the other two horses and the buggy were going to?

Answer. No, sir, by no means. When they took the four horses I supposed they would come back for the other two and the other property.

Question. What did you suppose at the time was the reason that they made out the bill for the four horses, leaving out two, at the price which they agreed to pay for the whole property?

Answer. Well, sir, I did not know. The whole thing was done in an instant, and nothing was said one way or the other beyond what I have stated.

Question. The next day they brought you a receipt?

Answer. No, sir. They brought to me the receipt at that time, and the next day they came for the remainder of the property.

Question. Have you represented this matter to the colonel himself?

Answer. No, sir ; I never saw him.

Question. What is the name of the quartermaster ?

Answer. I now remember, his name is Yates.

Question. You speak about the requisition. How did it read ?

Answer. The requisition signed by Colonel Riker read in this way :
“ Required for the *Anderson Zouave* regiment the following articles.”
Then followed the specification of four horses. Then the quartermaster's certificate was, “ I certify that this property has been received by the government.”

Question. And that only related to the four horses ?

Answer. That is all the paper mentioned, but the price for the four horses was carried out at a sum which would cover the value of the whole property. When they came next day for the remainder of the property I saw what they were at.

Question. Who came next day ?

Answer. Augur.

Question. Why did you not deliver the whole of it to the government at the same time ?

Answer. Augur said that was his, that he must make something out of it.

Question. What did you tell him ?

Answer. I told him it was all wrong ; that he made me a party to the fraud. He told me to go and see Dayton and I would find it all right. I went to see Dayton, but was unable to find him.

Question. What connexion did you suppose Dayton had with the matter ?

Answer. I only knew that Augur said he was going to deliver one horse at Dayton's place.

Question. What is Dayton's business ?

Answer. I do not know. On his doorpost were the words “ Notary and Commissioner of Deeds.” That was at No. 111 Nassau street.

Question. When you were first referred to Dayton he told you it would be all right ?

Answer. Yes, sir.

Question. Did you understand whether he had any authority over the matter ?

Answer. No, sir ; I only knew he was buying articles for this regiment, and I supposed what he said could be relied on.

Question. Where is your bill now ?

Answer. I gave it to Dayton ; he wanted it.

Question. You do not know whether the bill has been collected ?

Answer. I do not.

Question. And you have made no inquiries except of Dayton ?

Answer. No, sir.

Question. Where did they tell you they would get the money ?

Answer. At Washington. They said the bill would have to be accepted by the quartermaster general.

Question. How long ago was this ?

Answer. A month ago, or more.

Question. Where does Augur live ?

Answer. I do not know.

Examination by Mr. Washburne.

Question. What other transactions have you had in furnishing supplies to the government?

Answer. The Rev Sidney A. Corey came to me ten days ago and said he had a contract for the purchase and delivery of 200 horses for the government, and said he wanted to sell it to me. Feeling the smart of transaction No. 1, I said to him I would like to see his contract. He showed me a contract from Lieutenant Colonel Kilpatrick, of the Ira Harris light cavalry, now forming, and about to start for this city. The contract read: "I authorize Mr. Corey to purchase for the government 200 horses, mares included, running from 14 to 16 hands high, any color but white, to be delivered in New York at the government price of \$120, subject to the deduction of the expense of their transportation to Washington. Lieut. Col. Kilpatrick is to be the inspector of the horses himself." I said to myself, as these horses run from 14 to 16 hands high, mares included, I can make money out of it, because the government has been buying horses 15 hands high, and all horses. I asked Mr. Corey what he wanted for the contract. He wanted at first four or five thousand dollars, and after chaffering about it he got down to one thousand; and finally I agreed to give him \$200 cash in hand for it, and half the profits I should make. I gave him the \$200 in money at the time. Now remember that Lieut. Col. Kilpatrick was to be inspector. I went on and bought 17 horses. By the contract I was to deliver 50 a week; but when I got 17 they wanted to send them off to Washington at once. Kilpatrick and Corey came to my stable and asked what number of horses I had. I told them but 17 as yet, and showed them the horses. They said they would do. They were small light horses, as they wanted such, they said, for light men and picketing. The next day Kilpatrick came again, and brought a man with him by the name of Chase. He (K.) said they wanted to inspect the horses. I replied, that I thought he looked at them yesterday. "Well," said he, "I want this man to examine them." This man took me aside into a stall and said: "Unless you will give me two dollars apiece for each horse, I will not pass a horse." I replied that such was not the contract; that Kilpatrick was to be the inspector. "Well," said he, "you must give two dollars a head, or you will not get a horse passed." Thinks I to myself, these horses are of no value to me unless they are passed, and I had better pay the two dollars, or I shall lose on them. Says I: "Go ahead." Says he: "I must have the money the moment I pass them, and before I go out of the stable." I said: "You do not give me any credit, as I do the government." Well, he passed them, and made a fair examination. I will give him credit for that. He passed all of them but one. I gave him \$36, as it happened, though only 17 passed. He ought to have had but \$34, but he got \$36. The next day Kilpatrick was to send them to Washington, but the next day he came and said he could not send them until Monday; and the next Monday they went to Washington. Kilpatrick said, if I would give him a receipt for the government he would

collect the money and have it here in three days. That was last Monday, and I have not seen any money yet.

Question. What price were you to receive for those horses?

Answer. \$120 each, and I was to pay the cost of their transportation to Washington, which was \$7 each; and I had to pay cash to the transportation company to that amount before they would send them on.

Question. Who is this Mr. Corey?

Answer. A regular minister over a congregation in Thirty-seventh street, in this city. He is a Baptist clergyman, residing in Thirty-seventh street, near Fifth avenue. I came to the conclusion that if I had to bribe men to pass these horses I had better give up the contract, as I would not do that any more. I gave the contract back to Corey, but I did not receive any money in return. He wanted to know if I could not sell the contract over again to somebody else for him. I told him I could not. I understand that two men from Danbury, Connecticut, came to him afterwards and gave him \$500 for the contract, and they have now gone to Illinois to buy horses. Their names are Witson & Burchard.

Question. How did Corey happen to have this contract?

Answer. Corey said to me that he was a particular friend of Lieutenant Colonel Kilpatrick, who wanted to do him a favor by giving him the contract. He said Kilpatrick got it from Senator Baker. Corey said further that he could go to Washington and get a contract from Senator Baker for a thousand horses if I would take it. I told him I would have nothing to do with it.

Question. Do you know Kilpatrick?

Answer. I know him only by reputation, and in connexion with this transaction.

Question. Where does this inspector Chase belong?

Answer. I think he is connected with the Ira Harris light cavalry.

Question. Did he give you a paper saying he had passed these horses?

Answer. No, sir, but Kilpatrick did, for he was the inspector.

Question. Did Kilpatrick have a regular authority to buy these horses?

Answer. I inquired of Assistant Quartermaster Tompkins if anything that Kilpatrick should do in that regard would be recognized by the government. He said it would. Having smarted from the first contract I thought I would be more vigilant next time.

Question. These horses were being purchased for army purposes in Washington?

Answer. Yes, sir; the cavalry company were to rendezvous in Washington, and these horses were to be sent on there for their use. Kilpatrick is the acting colonel of the regiment, as the colonel is sick.

Question. Well, now let us have your No. 3 contract.

Answer. I have got no more, I am happy to say.

Question. Did you tell the clergyman that you had to pay \$2 for passing each horse?

Answer. Yes, sir; he understood it, because he was present at the

time when Chase took me out one side. I have no doubt Kilpatrick divided the money with this man; but I do not know.

Question. Do you know whether the lieutenant colonel and Chase are members of Corey's church?

Answer. I do not. This Corey got up a great meeting and presented a flag to Kilpatrick, which pleased him so much that he gave him that contract. Corey has been known as a great speculator in this city in building and selling churches.

Question. Do you know whether he has been a horse broker as well as a church broker.

Answer. No, sir; I know that this Corey has bought many horses of me and sold them, and I have lost a good deal of money by him, and he said he would sell that contract to me cheaper than to anybody else, so that I could make up some of my losses.

NEW YORK, September 25, 1861.

MARCELLUS RANDALL was duly sworn and examined, as follows:

Examination by Mr. Washburne.

Question. State to the committee your business.

Answer. I am a carriage maker in this city.

Question. State to the committee what knowledge you have, if any, in relation to the proposed purchase of any carriages by any person connected with the military services of the United States.

Answer. Somewhere about the 10th or 15th of August last one Mr. Augur came into my place and wanted to look at a carriage. I showed him around my establishment, and he selected a carriage which he thought would answer his purpose. He asked me if a requisition upon the government would be satisfactory. I told him it would, supposing, of course, that it was the requisition of the United States quartermaster. He then informed me that he had been authorized by the colonel of the regiment to buy a wagon for him, or that the government had authorized the colonel of the regiment to purchase a wagon, not mentioning what regiment it was for. He said he would see the colonel before making up his mind, and he made an appointment to meet me at No. 111 Nassau street, at James L. Dayton's office. I called there at the appointed time, but Augur had not seen the colonel. I then made an appointment to be there again in half an hour. I went there at the appointed time, but Augur said the colonel had not arrived. He then introduced me to a man by the name of James L. Dayton, who, he said, was acting as agent of, or had the contract for supplying, the Anderson Zouave regiment with their equipments, &c. I talked with Dayton about the requisition. He said it was all perfectly straight, and that he had some thirty or forty thousand dollars of requisitions there, which he was going to

take to Washington and get the money on them. That was the first knowledge I had as to what regiment the carriage was wanted for. I asked Dayton whether it was customary for the government to furnish the colonel of each regiment with a wagon to ride around in. He replied that he did not know that it was customary, but that it was necessary that Colonel Riker should have one to ride from the city to his encampment, which was upon Riker's island. I asked him how long the regiment was expected to remain here. He said they expected to "get off day after to-morrow." I thought it singular that Colonel Riker should want a wagon for so short a time, and I made up my mind then that I would not sell them the wagon, but I wanted to see how far they would carry the thing. They showed me the requisition, which was signed by Colonel Riker and the quartermaster of the regiment, J. J. Yates. I told them I should not take the responsibility of taking the requisition.

Question. State the language of the requisition as nearly as you can.

Answer. The main body of the requisition was left blank; the amount mentioned in it was \$395. On the back of it was a statement made by the quartermaster, stating that he had received the within named property. They appeared to have two or three of those requisitions in blank, signed by the colonel and the quartermaster. Next morning Colonel Riker came into the carriage repository with the lieutenant colonel and a person whom I supposed to be the quartermaster, but who, I afterwards ascertained, was the sutler of the regiment, by the name of Isaacs, a Jew. Colonel Riker, whom I happened to know very well, said he would like to see the wagon that Augur had selected for them the day before. I showed him the vehicle. He asked me the price of it. I, supposing that Augur, acting as a sort of third party, would like to make a commission upon the sale, as is usual in our business, told Riker the price was \$225, though I had told Augur it was \$200, intending to give Augur the difference of \$25. The parties examined the buggy very carefully, and Isaacs found a great deal of fault with it, as it is natural for a Jew to find fault with everything. I think the colonel asked me how soon I could get the buggy ready. I told him it could be ready in an hour, but that I had not seen any of our firm, and did not myself feel disposed to take the requisition. He said the requisition was all right, and that we would get our money in thirty days. I told him I would not take the requisition without consulting our firm. While Isaacs was finding fault, Riker made the remark that I was a friend of his, and that everything would be right. They then left the place, and about an hour and a half after that Augur came in, and wanted to know if the colonel had been there. He then wanted to look at another wagon—a buggy. He found one that suited him, and inquired the price. I told him \$195. He said they should probably want two vehicles, but that nothing was to be said about the second wagon to the quartermaster. He was very anxious to know whether I had seen our firm. I had not seen them, and I had made up my mind that the whole matter was a swindle, and that I would have nothing to do with it. He then said that next morning

he would bring up the form of a bill which he wanted me to make out. The bill has to be attached to the requisition. He said he wanted the bill made out for one business wagon at \$395, while I was to deliver two. The next morning at 8 o'clock, when I got to the repository, Isaacs was there with two horses. He said he came for the two wagons that Riker had bought. I told him I had not sold him any. I told him Riker was looking at one yesterday, but that as I had not seen our firm I should not myself take the responsibility of taking the requisition. He said he had all the papers with him ready for delivery. I saw the same requisition which I saw in Nassau street. He fell into a terrible passion because I would not take the responsibility. He then asked me if a party would come in and offer me \$200 in gold whether I would assume the responsibility. I replied I would very quickly. I then unfortunately lost my temper, and told him it was a downright swindle; that the officers of the regiment had no authority to issue those requisitions; that I should have nothing to do with him, and that I should expose the whole transaction.

When I was in Nassau street the first day they told me they had authority from the Secretary of War to purchase these things, and that the government would assume and pay all necessary bills. I asked to see the authority, a telegraphic despatch, I believe, it was; but it was not there, as somebody else had it. Isaacs made a remark, the morning when he came to the repository, that all I had to do was to take the requisition down into State street, in New York, and get my money on it. Says I, "You tell a very different story from Augur, who said it would have to be sent to Washington, from whence we should get our money in thirty days." I told him if we could get the money simply by going to State street I would sell him one wagon; but as to delivering two wagons, and making out a bill but for one, I should do no such thing.

Augur told me two or three different times that he had bought five horses for the government, on requisitions the same as he proposed giving to me.

Question. You say you knew this Colonel Riker?

Answer. Yes, sir.

Question. He came himself with Augur?

Answer. No, sir; he came with the lieutenant colonel, Tisdale, and the sutler, Isaacs. Augur was not with them.

I have understood that there were some 13 horses purchased for that regiment; six from one Mr. Taylor, five from some other party, and two were purchased at Port Morris the morning the regiment went away. I understood that a brother of Colonel Riker, who resides at Harlem, has a horse, and that he purchased it of Colonel Riker.

Question. What is the name of this brother?

Answer. Charles H. Riker.

Question. Was this conversation in reference to putting two carriages into a bill as one had in the presence of Riker, Tisdale, and Isaacs?

Answer. No, sir.

Question. What did Colonel Riker say that this wagon was for?

Answer. As I understood, it was for the purpose of carrying papers and small packages from the encampment to New York.

Question. Did Dayton ever come to you with Augur and Riker?

Answer. No, sir.

Question. Do you know of Augur and Riker being together?

Answer. I have seen them together.

Question. Did they ever come to your place of business together?

Answer. No, sir. When Riker came into my repository he asked to see the carriage which Augur had selected.

Question. Did he say anything about how the bill should be made out?

Answer. Nothing at all. He merely came to look at the carriage.

Question. Do you know whether Riker had any knowledge of these blank requisitions?

Answer. He must have had some knowledge of them as they were signed by him at the time I saw them.

Question. Do you know whether he had any knowledge of how you were required to give a receipt?

Answer. I do not. I never met Colonel Riker at Dayton's office. I can give the name of a party who met him there with Augur.

Question. Who is that man?

Answer. Isaac Mix, jr.

Question. What conversation had you with the lieutenant colonel?

Answer. None.

Question. Did you ever see this man Yates as quartermaster?

Answer. Never.

Question. The requisitions were signed by him?

Answer. Yes, sir; by him as quartermaster, and countersigned by Colonel Riker.

Question. And the blanks were not filled?

Answer. They were not.

Question. What particular part did the sutler seem to be playing?

Answer. It is pretty hard to say. The morning he came up to my repository he had two horses with harnesses on, and these papers in his possession.

Question. Do you know the parties, besides Taylor, from whom the other horses were bought?

Answer. I do not. I have been trying to find out, and may yet succeed. I have not been able lately to see the party who told me about the five horses having been bought.

Question. You say one of the vehicles selected was a buggy?

Answer. Yes, sir; and the other was a shifting-seat buggy.

Question. What did they say the ordinary top buggy was for?

Answer. Augur told me that Dayton had been working very hard for that regiment, and that that buggy was designed as a sort of perquisite for him; that that and some other little things he got was all the pay he had for doing business for the regiment.

Question. Do you know anything further which would be of use to this committee in ferreting out frauds upon the government?

Answer. Nothing that I think of at present.

NEW YORK, *September 27, 1861.*

ISAAC MIX, jr., being duly sworn, was examined as follows :

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in this city, and keep a carriage repository at No. 596 Broadway.

Question. Be good enough to state whether you have had any negotiations or business transactions with any persons connected with the military service ; and if so, state what and with whom.

Answer. Somewhere in the month of August, perhaps not far from the middle of the month, one Mr. Augur called upon me and wished to purchase a couple of buggies. After some conversation, he asked me if I would take a requisition upon the government. I replied that if it was correct and properly certified to I would. He said he wanted the buggies for the colonel of the Anderson Zouaves, and I made a bargain with him for the two—that is, on condition that I was satisfied after making inquiries. He referred me to Mr. Dayton, in Nassau street, to make such inquiries as I desired. Before that he said he had a form of the bill which he wished made out. I had got one of the buggies about ready for use, and he came to my place with the sutler, Mr. Isaacs. I then told him I was not yet satisfied to deliver the wagons. He said if I would go down and see Dayton, I would find everything perfectly satisfactory. They came there again before I saw Dayton, and then showed me a requisition signed by the colonel and by the quartermaster, as for those goods being received. The bill was made out as for one business wagon. I told Mr. Augur I should sign no such bill as that, and would not countenance anything of that kind. I told him I was one of the people, and if that was the way they were going on I should make a little stir in that region. After that I went down to see Dayton. He stated that everything was all correct, and that they were authorized to purchase the vehicles. I then stated to Dayton that Augur wanted two wagons, but a bill made out but for one. I told him I could not consent to any transaction of that kind. They wanted a bill made out for one wagon at the price of the two, \$385. Mr. Augur came in while I was there, saying there were some medicines and drugs coming. Shortly after, Colonel Riker and, I believe, the lieutenant colonel, drove up. I told the colonel that Mr. Augur had been talking with me about buying some wagons. I should have said I was introduced by Dayton to Colonel Riker and to the lieutenant colonel. I then mentioned the circumstances of the mode in which Mr. Augur wanted to get the wagons. He said he knew nothing about that ; that he supposed Augur wanted some pay for his work. I told him that the proper way would be, if he earned anything, to make out a bill for what he did, but that I would not lend myself to any operation of the kind contemplated. Colonel Riker did not pretend to know anything about this other wagon, but

the inference I drew from conversation was that he knew all about the operation. I drew that inference from the fact that he said that Augur ought to be paid something for his trouble.

During the conversation I had with Augur after the requisition was presented to me, he said he was doing a great deal for the regiment, and that he ought to have some pay for it, and if I had a mind to make him a present of a wagon it was nobody's business. I told him that when I made a present of a wagon it was to some friend to whom I was under obligation; that I saw no reason why I should give him a wagon and charge it to the government. He said I need not say anything about the second wagon, but make out the bill for one. The next day Augur came in and said I could make out the bill as I proposed—\$185 for one wagon. I then declined to have anything to do with it; and that ended the transaction with me. I did not furnish the wagons at all.

Question. Did you see the quartermaster at any time during this transaction?

Answer. I do not recollect that I did.

Question. Do you recollect the quartermaster's name?

Answer. It was Yates. That name was signed upon the back of the requisition.

Question. Was the requisition in blank?

Answer. Yes, sir. The filling up was for only one business wagon, \$385, which was the price for which, in fact, I was to furnish two. On the back it was stated, "received the within goods."

Question. Did you have any conversation with the sutler?

Answer. I met him also at Dayton's. He said: "Mix, you are not sharper than other people are. Here are forty or fifty thousand dollars of requisitions which other people have taken for all kinds of goods." I told him I was not going to dispose of my goods in that way. I told him Augur proposed to get two wagons for one, and I should not have anything to do with such a transaction. He said he knew nothing about that matter.

Question. (By Mr. Holman.) Did you see the quartermaster during this transaction?

Answer. I do not know as I did to know him.

Question. What connexion did Dayton seem to have with this business?

Answer. The general arrangement of it. He had all those requisitions, and was going on to Washington to get the money on them. He showed me several requisitions.

Question. He was proposing to get the money on those requisitions from the Treasury Department?

Answer. He was to collect those requisitions for the owners.

Examination by Mr. Dawes.

Question. When you stated to Colonel Riker that this Mr. Augur proposed to get two wagons on the requisition for one, and that at the price of two, did he express any disapprobation of it?

Answer. No, sir. I think the answer he gave me was that he did

not know anything about it; but he also stated in that connexion that Mr. Augur was entitled to some pay for his services, or something of that kind.

Question. Did you inquire of Colonel Riker what relation this Augur bore to the regiment?

Answer. No, sir.

Question. Did you know in what capacity he was acting?

Answer. I did not, except from his representation that he was authorized to buy for the regiment, and I think that the colonel had employed him for that purpose. But I cannot say positively that he mentioned the name of the colonel.

Question. Did you inquire of the colonel whether Augur was authorized to buy?

Answer. I did not.

Question. Did you inquire of Dayton?

Answer. Yes, sir, and his reply was that he had authority.

Question. Do you know what authority Dayton had to answer for the regiment?

Answer. No, sir.

Question. Did you satisfy yourself as to what was Dayton's relation to the regiment?

Answer. No, sir. I only drew a general inference from the fact that they made his office a sort of general rendezvous.

Question. How were you satisfied by the statement of Dayton that Augur had authority to purchase for the regiment, if you did not know something about Dayton's relations?

Answer. I consented to the transaction provided the papers were all straight and correct, and when I had suspicions they were not so I went to satisfy myself; I was not satisfied that it was all correct, and therefore I went to Dayton, and he did not succeed in satisfying me, and therefore I would not have anything further to do with the matter.

Question. The reason you declined to furnish the wagons was on account of your dissatisfaction with the nature of the transaction?

Answer. Yes, sir.

Question. Your dissatisfaction with the nature of the transaction led you to conclude that you would have nothing more to do with it, and prevented you from going any further with your inquiries?

Answer. Yes, sir.

Question. Have you had any other business transactions with the government?

Answer. None whatever.

Question. Or with this regiment?

Answer. No, sir, nor with any other regiment.

NEW YORK, *September 30, 1861.*

CHARLES B. RIKER, being duly sworn, was examined as follows :

Examination by Mr. Dawes.

Question. State to the committee your residence and business.

Answer. I reside at Harlem, and am a druggist, doing business on Third avenue, between 124th and 125th streets.

Question. Do you know anything about the fitting up the Anderson Zouaves?

Answer. Yes, sir.

Question. Who are the officers of the regiment?

Answer. I believe none of them have been sworn in yet ; my brother, J. L. Riker, is the colonel, Wm. Tisdale is lieutenant colonel, and Joseph Yates is quartermaster.

Question. Has a man by the name of Isaacs anything to do with the regiment?

Answer. I think he is simply sutler.

Question. What is his Christian name?

Answer. I do not know.

Question. Do you know his place of business?

Answer. I do not ; I think it is in Abington Square.

Question. Do you know a man by the name of Augur?

Answer. No, sir.

Question. Do you know James L. Dayton?

Answer. Simply by sight.

Question. What has he to do with the government?

Answer. I think he collected some of the requisitions.

Question. From the government?

Answer. I think so. I know my brother once said to me that Dayton collected requisitions.

Question. Do you know a man by the name of John O. Taylor?

Answer. No, sir.

Question. Do you know whether any horses have been obtained for this regiment?

Answer. Yes, sir.

Question. What do you know about it?

Answer. I know of one horse that my brother bought of Hubbard Blakesley.

Question. Did he buy it upon his private account?

Answer. I do not know. I know he bought it because I thought it a beautiful horse ; it was a white stallion. I presume he bought it on government account, but I do not know. I guess he paid rather more for it than the government would pay, and calculated to make up the difference himself.

Question. Do you know of any other horses being purchased for that regiment in any way?

Answer. Yes, sir ; I think there was another one purchased of

Blakesley. I think Blakesley told me he sent another horse to him. Then another man, who understood that my brother wanted a horse, came to me and asked me if I would not get him to buy the horse he had. I referred him to my brother ; my brother bought the horse, but I never saw it.

Question. Have you any horse?

Answer. Yes, sir.

Question. How many?

Answer. Only one.

Question. How long have you had him?

Answer. Ever since the regiment left.

Question. Have you any objection to telling me how you came by him?

Answer. No, sir. There was a team bought, and one of them was very sick. This Mr. Blakesley, who was a horse doctor, had charge of him. When the regiment went away the horse was too sick to go. My brother had another horse, which was presented to him, and which he intended to leave at home for me to take care of. I think the horse was given to him while he was in New Jersey, though he did not tell me so ; I got the information from another quarter. He took this horse on with him in place of the one that was sick, leaving the sick one with me.

Question. When did your brother leave with the regiment?

Answer. On the 21st of August.

Question. Have they been sworn in yet?

Answer. Yes ; they were sworn in on the 3d of July.

Question. What did you mean then by saying that the officers had not been sworn in yet?

Answer. I meant that they had not been passed upon by the examining committee.

Question. Then your brother took three horses with him?

Answer. I think he took on seven horses in all.

Question. Do you know where he got the rest of them?

Answer. No, sir.

Question. Do you know where the team was obtained, of which you spoke?

Question. Did your brother leave any buggy or harness with you?

Answer. No, sir.

Question. Have you any horse other than this sick one?

Answer. No, sir.

Question. Have you had any other lately?

Answer. No, sir ; I never had one before.

Question. Do you know of any wagon being obtained for the regiment by anybody?

Answer. No, sir. I know my brother had a wagon, but where he obtained it I do not know.

Question. What kind of a wagon was it?

Answer. A very good four-wheeled top buggy.

Question. Did he take it with him?

Answer. I believe he did.

Question. To what use could he put that in the service?

Answer. I do not know. I think he took it, but I will not be certain.

Question. Which of those horses was used with the buggy?

Answer. I do not know. He used once the horse that was presented to him.

Question. What is the present condition of the horse which was left with you?

Answer. Rather poor. He has been very sick, but I think he will get along. My brother told me when he went away that he would die, but Blakesley tells me he thinks he will get well. He is improving, as I am taking good care of him.

Question. Have you any other knowledge of the fitting out of this regiment?

Answer. I do not know that I have.

Question. Have you ever been to James L. Dayton's place of business?

Answer. Yes, sir.

Question. Where is it?

Answer. At No. 111 Nassau street.

Question. What is his business?

Answer. I do not know. I asked John what his business was, and I think he said he was a commission merchant.

Question. What had he to do with the regiment, except to collect those requisitions?

Answer. Nothing that I know of. I am entirely ignorant of his position.

Question. Do you know how he is compensated for his services?

Answer. I do not, unless the parties for whom he collects give him something for his trouble.

Question. Do you know where he lives?

Answer. I do not.

Question. Do you know whether he enjoys a horse or not?

Answer. I do not.

TESTIMONY
IN RELATION TO
THE PURCHASE OF ARMS.

NEW YORK, *September 27, 1861.*

Major P. V. HAGNER was duly sworn and examined, as follows:

Examination by Mr. Washburne.

Question. State to the committee what knowledge you have of the purchase of arms for the United States by various parties, the prices paid, and by whom the purchases were made; and particularly in relation to a purchase made by order of General Frémont.

Answer. In relation to the purchase of arms by General Frémont I am entirely ignorant as to details. My own business has been so absorbing that I have not had a moment's time to devote to an investigation of those transactions. Of my own knowledge, I know nothing of the prices paid by General Frémont. I know the character of a lot of arms which have gone out west to him.

Question. Do you know of whom they were purchased?

Answer. They were purchased of a firm in Broadway by the name of Kruse, Drexel & Schmidt. The firm are dealers in other matters, but not in arms. The arms were assigned to that firm by some friend abroad, and the price was as low as one could hope to get arms for at all when they first came here. They were offered to me at that time—General Frémont was here then—and I think the price was \$5 50. The arms were Austrian altered flint-lock muskets, requiring a special ammunition. The calibre was $\frac{7}{16}$ of an inch; but the principal objection to them was that they required this special ammunition. The arms were old, and had been in service. The special ammunition is one that is mostly out of use, and the military men of our country and of France have objected to it on the ground that it required percussion powder to be stored in magazines with the ordinary powder. The old flint pan in the Austrian arm was preserved. At first they took out the flint from the old hammer, and screwed in a nose of iron, which went down to the bottom of the pan, and there struck a tube which contained percussion powder; this tube was stuck into the old vent. The Austrians thus altered their arms at less expense than they could put in the percussion nipple. In these arms they had retained what we call the battery—it was the piece of plate which was struck against by the flint to make fire—and it still

covered the old pan, and in it there was a piston which the hammer struck on top and forced down upon the priming tube. It was an arm of peculiar construction, which would require a special drill.

Question. Do you know whether those arms have been purchased since ; and if so, by whom, and at what price ?

Answer. I have understood that those arms were sent out to St. Louis by Adams's Express Company, upon order of General Frémont. From whom the purchase was made, what number, and at what price, I do not know.

Question. They were offered to you at \$5 50 ?

Answer. Yes, sir.

Question. How many were there ?

Answer. Frémont at that time agreed that they were not a suitable arm for service. The man said he had twenty or thirty thousand, I do not remember which, and that he was expecting enough more to make up a complement of fifty thousand.

Question. At the time when General Frémont was here was he advised of the price ?

Answer. I am not quite certain as to that.

Question. Was there not something said in regard to the price ?

Answer. I think so, but I cannot state positively. A sample of them was in his possession at the Astor House. I said to him, "General, you see the trouble about these arms ;" and, after explaining, he at once said, "They won't answer." When he reached Missouri he telegraphed back to me somewhat in this wise : "Arms, arms, arms ! send us arms—anything." I had ordered forward all that I could obtain—they were then on their way—and could not buy any more at the moment. Subsequently General Frémont telegraphed to me about supplies once or twice ; but soon I heard of agents here purchasing for him.

Question. As an ordnance officer yourself, and even with that despatch in your possession, you did not consider it right to purchase those arms ?

Answer. I did not. I understand that those arms are now at St. Louis, that they have not been issued, and that they are trying to alter them. Frémont found that they could not be used.

Question. Is this arm sometimes known as the Austrian needle musket ?

Answer. No, sir ; this is entirely a different arm.

Question. Was there any other officer of the government here connected with the ordnance department whose duty it would have been to make the purchase, except yourself ?

Answer. In ordinary times requisitions for arms would go to the chief of ordnance at Washington, and he would order me or any other purchasing officer to fill the requisition, either by purchase or from something in store. When General Frémont came here he brought a letter to me from General Ripley, directing me to see General Frémont, and consult with him about the arming of his army which he was about to raise in St. Louis. He then considered that I should get arms for about 27,000 men, and under the order I was authorized to do anything I could in the way of arming those 27,000 men.

Question. There was no other person here who had any such authority?

Answer. No, sir; no other ordnance officer.

Question. The purchase was afterwards made directly by General Frémont?

Answer. I judge so. When General Frémont had got west to a certain point he sent me the telegraph of which I have spoken. He knew then that I could not get the arms which we talked about forwarding any faster than I had told him when he left here; that is, in obedience to my authority, I made requisitions upon arsenals for, and purchased in the market here, everything which I thought was fit for service. Some things were started, and some other things were to be started in a few days. The arsenals at Frankford, New York, Watertown, Springfield, and Watervliet, had requisitions from me to forward certain supplies for General Frémont's army. I obtained from Springfield all that I could get there, and still we had not enough to arm 27,000 men; but my anticipation was, that in a certain time I would have enough. When Frémont got as far as I have stated he heard of an additional rising in Missouri, and great consternation among the people, and hence the necessity of more arms. He telegraphed to me several times. After the affair at Bull Run, I had to telegraph to him that I had peremptory orders to send on to Washington everything of a certain description which I could lay my hands upon, and therefore I stated to him that I must divert from him such and such supplies. Immediately after that I heard of several civilians being in this city purchasing for General Frémont; they did not report themselves to me, and therefore I conceived that he thought I was so interfered with by requisitions that he would proceed upon his own plan, and through other parties purchase what arms I did not get.

Question. Do you know the names of those agents?

Answer. A Mr. Stevens was one of them. Adams's Express Company told me that a Mr. Stevens had made a requisition upon them to send stores to General Frémont. Some time afterwards a gentleman introduced himself to me as Stevens, and said he was agent of General Frémont. I asked him if he had any credentials. He said he had, and would show them to me, and asked me if I had not heard of him. I told him then, and very plainly, that "I understood from the express office that a *Mr. Stevens* had asked them to send things to General Frémont, and that I had also heard from other sources that *somebody* claiming to be the agent for General Frémont had acknowledged or boasted that he had made a large amount of money by his agency. I told him I cannot connect those two statements; but as you ask me if I had heard anything of you, you will understand that, having heard these two statements, which I cannot put together, I must see your authority before I can have any official communication with you." He had not the authority with him. He called at my office, and met me two or three times afterwards, but never showed me his authority. He has met me occasionally, and inquired about ordnance stores, &c., and I have always given him all information in my possession. Recently I said to him, "You come frequently to me for information upon military matters, and do you recollect that once you promised

to show me your authority from General Frémont." He said he had not shown it to me, but that he had letters from General Frémont which he would show me, and he did show me letters of authority to him. He also showed me telegraphs. He stated that he designedly did not show me the authority, because I seemed to doubt his authority. I told him that I, as a public officer, had no objection to do what I could for the benefit of any other public officer, and if he would show me his commission from General Frémont I could deal with him freely, but that I could not now, though I had no objection to give him information I possessed, in the expectation that it was for General Frémont. I said, "All I ask is that you show me your authority as agent, so that I may know that you are equally responsible with myself for your conduct as a purchaser for the government." Upon those terms he stood out.

Question. You say you heard a rumor of his making purchases, and making a great deal of money out of it?

Answer. I said I heard that a Mr. Stevens had asked Adams's Express Company to transport stores to General Frémont, and that I heard from another source that some agent had stated—as a matter of boast, I thought—that he had made some large amount of money out of it—I think some \$60,000. The gentleman, a man purchasing arms for his State, who gave me that information, said he did not mean to have his name connected with it. I do not pretend to say that he told me he heard it. It was street rumor.

Question. As I understand, you have not purchased any arms, but that you have made requisitions for arms from various arsenals?

Answer. I have purchased everything I could; but the holders or agents found it to their advantage sometimes to deal with State agents or with the departments at Washington. Agents of *States, cities, regiments, and generals* were all here; and as there were really but few arms for sale, I found myself disappointed at times by hearing that lots were sold at a higher price than I was willing to give, and that the arms were sent off to the west or elsewhere. The whole city of New York, apparently, is interested in this arms business. It takes the place of stock speculations, and men seem to have dropped all other business.

Question. Give us the names of the principal dealers in arms in this city, or the persons who have been selling arms to the government?

Answer. Let me say to the committee that I do not wish, and strive not to deal, with mere agents. Yet I find myself deceived now and then, and purchase of an agent, or the agent becomes the *bona fide* owner before I know of the importer. There is much sharpness and a determination to make money out of the times by some. The larger dealers in arms are Schuyler, Hartley & Graham, Simms & Brothers, P. S. Justice, Boker & Co., Merwin & Co., and J. P. Moor's Sons. Howland & Aspinwall also are speculators in arms. There are also a good many agencies in the matter. A Mr. Fitch, in Washington, is apparently a resident agent there; and in my orders I have been referred to his agents here under the name of T. J. Barr. James G. Taylor is also one of Fitch's agents. The government has received 4,000 stand of arms for the governor of Pennsylvania from Mr. Fitch;

but on the two last orders to purchase from him, no arms have been received. They were arms ordered to be sent to General Anderson.

Question. Through what kind of agencies and influences has the government been purchasing arms in this country?

Answer. I have been informed that all purchases were to be made by me in some way, and as such, I am applied to here, for instance, by an agent who comes to me and says he has so many arms. I examine the arms by a sample, and, according to the quality, fix a price upon them or reject them altogether. Sometimes after such rejection by me, either on account of price or other reason, I receive orders to buy them.

Question. Peremptory orders from your superiors?

Answer. Yes, sir; to buy the very arms I before rejected on account of price or unfitness for service.

Question. Who is your superior officer.

Answer. My orders usually come from General Ripley, with a statement, however, that he was directed by the Secretary of War to order me to purchase such and such arms.

Question. State one instance of making such a purchase.

Answer. A purchase from Fitch is a case in point. In that particular case I had rejected the arms because the calibre was large, the cones too large for our caps, and because of the quality. The very highest price the arms were worth was five or six dollars, and I think those guns were sold for thirteen dollars. I think my order stated that they had been sold for thirteen dollars.

Question. What was the highest price you would have given for the arms if you had been obliged to take them at all?

Answer. Not to exceed six dollars, certainly.

Question. For what price do you understand the arms were afterwards sold?

Answer. Thirteen dollars.

Question. And sold to the government for the use of the State of Pennsylvania?

Answer. Yes, sir.

Question. And you had an order from General Ripley to send them on?

Answer. Yes, sir. The first order came on Saturday evening, directing me to see this agent of Mr. Fitch, at No. 48 Pine street, and get from him 4,000 arms and send them by the Central railroad train that night to Governor Curtin, of Pennsylvania.

Question. To what point in Pennsylvania?

Answer. Harrisburg. I sought the gentleman out, and at last found him, but it was impossible to get the arms that night or the next, as they were in the custom-house, and the collector was out of town. On Monday I went with him to the custom-house and got the arms through, and ordered them to be delivered to the quartermaster to be forwarded in the manner I have stated.

Question. Was the price which you were to pay stated to you?

Answer. I am not certain. My impression is that it was, and that the amount was thirteen dollars.

Question. Did I understand you to say that the arms were practically worthless?

Answer. It was a percussion smooth-bore arm, and in ordinary times it would not be considered as a proper arm. I think our volunteers would never use the arm.

Question. Is this what is known as the needle gun?

Answer. No, sir, it was a smooth-bore, worn-out gun. The European nations are emptying their worthless trash out upon us. We have in this city now samples of various kinds of guns of that character.

Question. Is it improbable that some agent will come in from some quarter and buy these guns?

Question. No. A lot of guns brought to me Saturday was subsequently brought to the agent of the State of Missouri, now in this house, with a request that he would purchase them. He asked me to go and see the guns. I did so, and found them to be old acquaintances. Sometimes the same guns are brought to me by eight or ten different agents.

Question. Who is this agent of whom you have spoken?

Answer. He is a person appointed by the governor, and is buying arms for the State troops of Missouri. There is another gentleman from Kentucky who is here for the same purpose for his State. The moment one of these persons appears in New York he is besieged by a thousand persons who want to sell him arms. At first these gentlemen either did not know of my being here, or they thought they would act for themselves. Upon the arrival of a fresh agent the whole market is in a fever, and these sellers rush to him with the same sample, put any price upon them they think they can get, and in many cases sell to them. This state of things went on until I was better known among them; and now I find that the State agents come to me first, and I always say to them that the greatest favor they can do to me, and the best service they can do to their States, is not to mention the word "arms" to anybody but me.

Question. Has the consequence of this state of things been that parties have been bidding against each other, and running up the prices in every possible way?

Answer. Yes, sir.

Question. Instead of having only one man to purchase arms for the general government and for all the States, there have been various parties all bidding against each other?

Answer. Yes, sir; and not only in our country but abroad. I understand that when our troubles first commenced there were five agents sent out to Europe in the same steamer, and each of these men instead of acting in concert, in their State pride thought they would beat the others, and so they got to bidding against each other. 'Tis said they were put into separate rooms by sharp arms makers and pitted against each other so that they run up the price of arms in 24 hours from 45 to 75 shillings, and I understand that when they went up to 75 shillings an agent from Massachusetts came in and swept the board at 100 shillings. An agent came to me and offered for sale 5,000 arms which he stated belonged to the State of Massachusetts. That was 10 or 15 days ago, and perhaps longer. The agent stated that he was authorized by a State officer to sell, and that the arms

belonged to the State. I declined to deal with any agent in reference to arms belonging to a State, because I thought it improbable that any State authority would sanction a transaction of that kind at this moment of public exigency. I told the agent that he must bring to me the authority of the State officer, when I would buy directly, or would recommend to the ordnance department either to buy or exchange. After that I left him, and I heard no more from the matter until I was ordered by the authorities in Washington to purchase 5,000 altered Springfield arms from Mr. Fitch. I was ordered to go to Mr. Barr, as Mr. Fitch's agent. Mr. Barr stated to me that the arms were not here, but in Boston, and that they belonged to the State of Massachusetts. I telegraphed and wrote that fact to the department, asking them if they were aware that the arms belonged to the State of Massachusetts, and mentioning also the facts which I have mentioned here. I received no answer to that. I wrote a letter to Mr. Barr, stating my orders from the department, and asking for those arms. His answer was that they were in Boston. Then as the arms were ordered to be sent by express to General Anderson, I told Barr to turn them over in Boston to Adams's Express Company, with the understanding that they were to be examined at Jeffersonville, Indiana, where General Anderson wanted them. Subsequently I received a letter from the Ordnance office, stating that Mr. Fitch had stated that only a part of those arms were in New York, and I was to receive not the 5,000, but a smaller number, 2,800. I wrote again to Mr. Fitch's agent, and he replied as before, that none of them were here. Yesterday I called upon Barr, at his office, and he stated that the arms could not be had at all; that the governor had withdrawn the lot from sale.

Examination by Mr. Dawes.

Question. Did Mr. Barr state to you that the arms belonged to Massachusetts?

Answer. Yes, sir. Mr. Yerby, another agent, offered me the same lot of arms.

Question. Was any reason given why the State of Massachusetts was selling arms in the market?

Answer. No, sir. I presume that the State of Massachusetts did not want to issue these smooth-bore muskets to its troops.

Question. Do you know how Massachusetts came into the possession of such arms?

Answer. I do not; but I know that when this crisis came upon us General Wool distributed arms all over, but whether Massachusetts got any I do not know.

Question. Would Massachusetts be authorized to sell arms so received?

Answer. In reply I would inquire whether it is not the same thing in regard to arms issued to the State for the use of its militia?

Question. Do you know of any instance of that kind?

Answer. It has been a common thing. They claim the right to do so.

Question. What kind of a musket is this Springfield smooth-bore musket?

Answer. They are altered from the flint lock, and are an excellent gun, but our volunteers do not think much of them.

Question. Do you know of any instance where arms received by a State from the general government have been put into the market for sale?

Answer. I have not, and I believe this is the first instance of the kind which has occurred during this war; but years ago it was done.

Question. (By Mr. Washburne.) Do you know anything about the arms which arrived here from California?

Answer. Yes, sir. There were 10,000 Springfield smooth bore, and 2,000 of $\frac{6.9}{10.0}$ calibre rifled guns.

Question. What disposition was made of them?

Answer. They were immediately distributed under order of the chief of ordnance.

Question. Do you know where they went to?

Answer. I do not. I think the last 2,800 went to Kentucky.

Examination by Mr. Holman.

Question. What knowledge have you of the agents of the several States purchasing arms in this city from agents, instead of from regular dealers—for instance, by Robert Dale Owen, the agent of Indiana?

Answer. Mr. Owen has always come to me to consult about his purchases since he has known of my being here. Wolcott, of Ohio, also, and the secretary of the governor of Indiana, have done the same thing. The secretary of the governor of Indiana confirmed my impression about the impropriety of buying those large calibre smooth-bore arms. He stated that the governor begged not to send him any more smooth-bore arms, as it demoralized the troops; that the troops refused to take them; that they broke them up, and that they were of no value to them.

Question. Do you know of any purchases being made by the agents of Indiana and Illinois?

Answer. Purchases are being made all the time.

Question. Have any purchases been made by them without consulting with you?

Answer. Yes, sir. None of them were ordered to report to or consult with me, and it was by their own graciousness that they came to me at all.

Question. The agents of the several States were aware that you were here?

Answer. Some of them. The agents of General Frémont, of the governors of States, of cities, of Union Defence Committees, of colonels of regiments, and of generals of our army, are all here. I may be in treaty for arms, and the first thing I hear, the arms are sold to some agent. Some men who hold arms, I sometimes think, are rather disposed not to have a *bona fide* sale. They like to keep the arms in the market in order to advance the price. I think they have been gambling in arms just as they do in stocks.

Question. Has the War Department been aware of this state of things for the last two months?

Answer. Yes, sir. I have repeated it to them, but their anxiety to get arms is so great that they seize every seeming chance that offers.

Question. One single agent occupying, for instance, your position, would, of course, be able to make these purchases to the same extent that fifty agents could, to the extent of the capacity of the market, and at a price more satisfactory to the government?

Answer. Yes, sir; evidently. I have represented the state of things more than once to the department, and I have asked them to constitute a bureau of purchase, and I have begged that the States should be asked not to send agents to purchase. As the United States will have to pay eventually, I have asked that we should have some concert together, that this state of things might be stopped.

Question. The number of the agencies does not increase the capacity of the market to produce arms?

Answer. Not at all.

Question. Are not all the arms purchased for the government, or the various States, or for municipalities, purchased in this city?

Answer. Yes, sir; they all belong here. If an officer is ordered to purchase in Boston, the first thing I know, the arms that are here are telegraphed for, to be sent to Boston; and so it is as to Philadelphia.

Question. So that the whole of this business would be within the control of a single agent of the government?

Answer. Entirely so.

Question. State how many persons, as far as you know, of various States and municipalities, are now in this city, Boston, or elsewhere, engaged in purchasing arms in competition with yourself acting upon the part of the government.

Answer. I cannot tell you whether they are now here, but I know of purchases made during the war by Vermont, Maine, Wisconsin, Indiana, Illinois, Ohio, and the city of Philadelphia for the Union Guards.

Question. Were these arms purchased by agents in competition with yourself acting upon the part of the government?

Answer. Necessarily so. I think if I had been the only agent; if I had been at the head of the purchasing department, which I recommended to be established by the government, it would have been for the interest of every man who had arms to sell to let me know that they were here. But as there has been no one head, probably there have been many sales of arms I do not know of.

Question. Do you know of any States, through their agents, purchasing arms which had been rejected by yourself, either upon the score of price or on account of the quality and character of the arms?

Answer. I have already mentioned the case of the purchase of 4,000 for the State of Pennsylvania.

Question. Do you know of any other such instance, or do you know of any instance where you were negotiating for the government of a State agent making the purchase before you had time to consummate your contract?

Answer. My mode of dealing is such that it does not leave much

room for deliberation. I never ask for time, for I always examine the arms upon the spot, and determine the character of the arm and its value as compared with arms which I purchased the day before, for instance, and then say to the seller it is worth so much; will you take that price. The answer generally is "no," and the agents go off. This course of proceeding has done good, because my opinion goes abroad, and it reduces the price, though, perhaps, not to the extent which I think is right. I think, perhaps, it is good to have one obstinate man at this point, because his opinion goes all around.

Question. State how long you have been in the city of New York occupying your present position.

Answer. I was ordered here in July from Springfield, by telegraph, to inspect a lot of arms offered to the government by Howland & Aspinwall, which were to arrive. I was ordered to communicate from Springfield to that firm the fact of my being ready to inspect the arms, and that I held myself ready to come on at any time. They wrote to me, stating that they were very glad the government had determined to purchase those arms, which they represented as 17,000 Enfield arms; that they were very glad the purchase was to be made by the government from first hands. My order stated that the price was to be eighteen dollars each. That was on a Thursday, I think. On Saturday I came here, and found that a letter which they had written me on Friday had been forwarded to me from Springfield. That letter stated that they were very sorry to inform me that the same arms had been sold to another party before their arrival, without inspection. I called upon the firm with those two letters, and saw a gentleman at their counting-house, who was, I believe, a son of one of the parties. I stated that here were two letters, and I would like to have him reconcile them. I said: "You tell me on Thursday that you are glad the purchase was to be made by the government from first hands, and on Friday you say you sold them to another party." He replied: "Well, it is an ordinary transaction, and it means that we sold them before arrival, without inspection, because we got a better price for them." I bid him good morning, and left. That was my first experience in the purchase of arms here.

Question. Have you those letters of Howland & Aspinwall?

Answer. They were sent to the Ordnance office. I heard afterwards of that firm receiving arms time and again, but I did not hear of anybody buying. They were not offered to me. Subsequently, and a good while after the battle of Bull Run, when arms were urgently wanted, that firm made a contract with the government at Washington at the same time that Colt did, and for the same number, and made that contract for \$22 50 for long Enfields, and for \$27 50 for short Enfields, with sabre bayonets. Upon their first delivery under that contract I noticed, when I was required to receive the arms from the custom-house, that some of them had been in the country since June, so that they had held on to those arms with a view to a rise in the price, although they had previously offered them to the government at \$18. This latter, however, is mere speculation upon my part.

Question. Was William H. Aspinwall one of the members of that firm?

Answer. I do not know. I only dealt with them as Howland & Aspinwall.

Examination by Mr. Washburne.

Question. What was the invoice price of these 17,000 arms?

Answer. I do not know.

Question. What was the price at which they offered them to the government?

Answer. Eighteen dollars. At this time the price has gone up. The other day I was in treaty with a man who had a hundred long Enfields, and I asked him his price. He stated that he had had several offers. I replied that the highest price the government has paid is \$22 50, and that I would give him that, although I thought it much too high. He said he was a commission merchant, and must take time to consider of the matter, as he was expected to get the best he could. The next morning he sent for the sample, with word that an agent of the State of Vermont had bought the guns at \$27 50 each.

Question. Can you state to the committee how this state of things can be remedied?

Answer. By establishing one department for the purchase of all arms for both the States and the general government.

Question. And in your judgment that ought to be done at the earliest possible period?

Answer. Yes, sir. The government might establish a depot of purchase here, for the government and the States, under the control of one man, and if purchases are to be made elsewhere they should be made in concert.

Examination by Mr. Dawes.

Question. Are you able to form an opinion as to what would have been the saving to the government up to this time, had such a mode of proceeding been resorted to in the first instance, instead of the present mode?

Answer. I can give you some idea. Ten days or two weeks ago a man who had dealt with me several times, and knew how particular I was, came to me with a lot of sabres. I asked him the price. He said \$6 50 in bond. I pointed to a sabre in the corner, and told him there was a sabre better than his, and that, in comparison with that sabre, I would offer him \$3 50 out of bond. He said he would see his principal. He came back in fifteen minutes and said he would accept my offer. These agents ask prices of which they know nothing more whether they are right or wrong than a little child.

Question. Can you give the committee an idea of what would have been the saving to the government up to the present time.

Answer. No, sir; I cannot.

Question. You think it would have been a great saving?

Answer. Yes, sir; and there would have been a saving on the score

of morality, for one can hardly estimate the demoralizing influence of this race after gain.

Question. We will take the cash saving first. Can you give the committee an idea of the saving in cash? Would it not have been millions of dollars?

Answer. It must be immense. I should say that the chances are that there would have been a saving of thirty or forty per cent.

Examination by Mr. Holman.

Question. Give the committee some idea of the extent of the purchases of arms during the last five months on behalf of the government and of the several States.

Answer. There is one thing which I must say, and that is, that those States which acted first in this matter were the wise ones. The State of New York has now 12,000 stand of Enfield arms in its arsenal here, at a cost less than any arm I know of that the United States has got.

Question. At what price were they purchased?

Answer. I do not think they cost the State here more than \$18 each. Ohio and Indiana also made good bargains in the early part of this contest.

Question. Upon a rough estimate of the purchases of arms by the government, by the States, by cities, what would have been the saving?

Answer. Suppose we have now, Union defence men and all, half a million of men under arms. The United States owned at the time of the battle of Bull Run, not including those which fell into the hands of the south upon the breaking out of hostilities, probably 200,000 arms—that would leave 300,000 more to be purchased. I think there have been very few purchases by States at less than \$10 each, and the mass of purchases have been at a much higher rate. For Colt's arms the government gave from \$45 to \$47, and for Sharpe's arms from \$35 to \$40. For Colt's pistols I gave \$19, and the chances are that if they were bought elsewhere, and not from first agencies, a higher price would have to be paid. Every mercantile agency insists upon the manufacturer giving him a certain part of his work, so that if the government makes a bargain with the manufacturer, it does not get all the arms of that establishment. I secure all those which come to the mercantile agencies and pay \$19. The government, I think, gives \$20 on account of their stricter inspection. Remington's pistols cost \$15, and Whitney's \$16 80. I think, therefore, that you ought to estimate that 300,000 arms multiplied by \$12½—the average cost say—would give the total expenditure of the government for that branch of arms; and upon that I should think, as I said before, there might have been a saving of thirty or forty per cent.

Question. What kind of an arm is it that cost so low a sum as to make the average cost only \$12 50?

Answer. Some foreign smooth bores and United States smooth bores. The government has bought but few rifles. This difficulty found an exhausted market. The south had thoroughly sifted the country of all its arms, and we purchased everything which we could get. The

very fact of there being so few arms in the country has led to this huckstering among second and third men.

Copies of the letters referred to in the foregoing evidence will be found in Appendix "D."

NEW YORK, *September 27, 1861.*

JAMES B. TAYLOR was duly sworn and examined as follows :

Examination by Mr. Holman.

Question. State your residence and business.

Answer. I reside at Bond Street House, in this city, and am a merchant.

Question. Who constitute your firm, and what is the particular character of your business?

Answer. I am the only member of the firm ; I have no partner ; the business I attend to is mostly my own.

Question. What business ; dry goods?

Answer. No, sir ; commission business and loaning money.

Question. State whether during the last four months you have had any connexion with the purchase of arms for, or sale to, the government?

Answer. I was interested in a contract to sell 25,000 Enfield rifles to the government.

Question. With whom was the contract made upon the part of the government?

Answer. It was made upon the part of the government by J. P. Fitch.

Question. Do you mean that Fitch was the agent of the government, or the party who made the contract with the government?

Answer. He made the contract with the government.

Question. For whom?

Answer. For himself ; and in the contract I was interested.

Question. Who besides Fitch and yourself were interested in that contract?

Answer. I am unable to say.

Question. State all the persons you know as having any connexion with it.

Answer. I do not know of anybody really except Fitch and myself.

Question. Were you a sub-contractor under Fitch?

Answer. No, sir ; I was to have a third interest in the contract.

Question. Did you make your contract with Fitch before or after he made his contract with the government?

Answer. I am not certain about that.

Question. Where did he make the contract?

Answer. In Washington.

Question. Directly with the Secretary of War, or with some subordinate in that department?

Answer. I think he made the contract with General Ripley.

Question. About what time?

Answer. Some time in August I think, perhaps about the middle.

Question. At what price were those arms to be furnished to the government?

Answer. The government was to pay \$20 for them.

Question. Were they long or short Enfields?

Answer. Long Enfields.

Question. You do not know whether you became connected with Fitch before or after making the contract with the government; was he not acting as agent in making the contract?

Answer. He was not acting as agent; I think he made the contract with the government before I was interested with him.

Question. Was he the owner of those rifles, or of any portion of them, at the time when the contract was made?

Answer. I think not.

Question. To what inspection were they to be subject; where were they to be inspected, and by whom?

Answer. I think they were to be inspected by the government agent or authorities who were proper persons to examine them.

Question. At the time that contract was made in Washington city was there any officer of the government in this city engaged as an ordnance officer in the purchase of arms?

Answer. I do not know indeed whether there was or not; I think, however, there was.

Question. Who was he?

Answer. I think Major Hagner, though I understood him to say he did not purchase anything except what was here.

Question. Where were those arms at the time Fitch made the contract; if he had control of 25,000 arms, where were they?

Answer. I have not said that he had the control of any arms. I said he made a contract to deliver arms. One or two thousand were to be delivered in forty-five days, and then he had eight months to deliver the remainder of the 25,000 in, in monthly instalments.

Question. What business is Fitch engaged in?

Answer. I do not know.

Question. Where did he reside at the time the contract was made?

Answer. I think he resided in this city, but I am not certain.

Question. Can you give the name of some other person besides yourself who was interested with Fitch in this contract, either before it was made or subsequent thereto?

Answer. There were other parties who had contracts with him. His contract with the government was, I think, for 75,000 stand of arms, but I had to do with only 25,000 of them.

Question. Give the name of any other person connected with him, either in the contract for 25,000 or with the entire contract for 75,000?

Answer. I do not know as there was any one but myself interested in the contract for the delivery of the 25,000.

Question. Were you to furnish the whole 25,000? And if not, what portion of them?

Answer. I made a contract with the agent of an English house here to make those 25,000 guns and deliver them here in bond.

Question. What were the terms of your contract as to the time of delivering them in bond?

Answer. They were agreeable to the terms of the contract of Fitch with the government.

Question. Your contract, then, was made subsequent to his contract?

Answer. Yes, sir?

Question. And the arms were to be delivered in the same manner that Fitch was to deliver them to the government?

Answer. Yes, sir?

Question. What was the object of delivering them here in bond?

Answer. The government bought them in bond.

Question. Was that the effect of the contract with the government?

Answer. Yes, sir; the government has to receive them in bond.

Question. Do you mean by that that the effect of the government receiving them in bond was to avoid the duties upon the importation here?

Answer. Yes, sir.

Question. State the contract between yourself and the English house as to price.

Answer. I do not know as that is legitimate to your inquiry, or that I am bound to answer it. But I can answer it by saying that the terms were such that they refused, some three weeks after signing the contract, to deliver the arms. The price at which I was to purchase them, through this agent, was \$18. After signing the papers, and after twenty-five or thirty days elapsed, they refused to deliver the arms at even \$20.

Question. Have any portion of the 25,000 been delivered?

Answer. No, sir.

Question. Do you propose to fulfil the contract?

Answer. The time is not up yet. I have always paid my notes.

Question. What do you know about the parties interested in furnishing the other 50,000?

Answer. I know nothing about it. I do not know who is or who are interested.

Question. Has any portion of the 75,000 been delivered to the government?

Answer. That I cannot answer. I only know that no part of the 25,000 have been delivered.

Question. What was the nature of your contract with Mr. Fitch? Were you to pay him a certain amount as a bonus for his contract, or did you become a partner in the contract?

Answer. I was not to pay him anything. He told me he had such a contract, and he told me he wanted 25,000 guns furnished. I knew

the agent of an English house here, and they agreed to furnish them at a certain price.

Question. At what price were you to furnish these guns to Fitch?

Answer. At twenty dollars.

Question. He really then had no profit upon the contract at all?

Answer. Yes he had. He agreed to furnish them to the government for \$20, and I was to furnish them at \$18; and I was to have one-third of the profits.

Question. You were to advance the money for the purchase of the arms.

Answer. I should have advanced it whenever they came.

Question. He then was simply deriving a profit of two-thirds the difference between \$18 and \$20.

Answer. Whether he had all of the two-thirds I do not know.

Question. Who did you understand was interested with him in it?

Answer. I do not know that I understood anything about it from him.

Question. Did you understand it from anybody else?

Answer. I do not think I did.

Question. In what business was he engaged?

Answer. I do not know.

Question. Had he any connexion with the manufacture of arms, or the carrying on of the hardware business?

Answer. I think not.

Question. Was he engaged in business in the city of New York?

Answer. He had not been here a long time. I think he came from Rome, in this State.

Question. Is he now in this city?

Answer. I do not know. He was in Washington a short time ago.

Question. Have you understood from him, or from anybody else, who was interested with him in furnishing the other arms?

Answer. They were some other parties—some agents of English houses—but I do not know who. I have heard their names but do not recollect them, as I did not know them.

Question. Have you made any further contract for the arms you proposed to deliver under this contract?

Answer. No, sir; there are but very few manufacturers of that kind of arm. They all have agents here, but I know only this one.

Question. Have you any other contract with the government, either directly or indirectly, for furnishing arms, or any other military stores?

Answer. I have not.

Question. How long have you known this Mr. Fitch?

Answer. Three or four months. I might say here that I did have a contract. Two or three weeks ago I sold to the government 4,000 guns.

Question. Where did those guns go to?

Answer. To Harrisburg.

Question. What kind were they?

Answer. They were Prussian muskets.

Question. Did you make that contract directly with the government?

Answer. No, sir.

Question. Who made it?

Answer. Mr. Fitch.

Question. Was that a part of the 75,000 contract.

Answer. No, sir; it had nothing to do with it.

Question. What was the nature of his contract with the government to furnish those arms?

Answer. They were bought by sample. Fitch took a sample to Washington city, and the muskets were bought and sent to Harrisburg.

Question. At what price did he sell them to the government?

Answer. I think he sold them for \$8.

Question. When was the contract made?

Answer. Recently—within the last three or four weeks.

Question. When were they delivered?

Answer. A fortnight ago.

Question. Did you furnish all those guns to Fitch?

Answer. Yes, sir.

Question. Who were they owned by at the time Fitch made the contract?

Answer. By a foreign house.

Question. State the name of the house.

Answer. I do not know it.

Question. State the name of the agent who had charge of the guns in this city.

Answer. I bought them before I saw the agent; I bought them through a broker.

Question. Did you buy before or after Fitch made the contract with the government?

Answer. He sold them by sample, and sold them for me: I owned the guns at the time.

Question. He then was simply acting as your agent in making the sale?

Answer. Yes, sir.

Question. Had those guns been submitted to the inspection of any ordnance officer in this city?

Answer. I do not know that they had.

Question. Did you understand that they had been?

Answer. I did not.

Question. Did you understand that any person in this city had proposed to sell them to any ordnance officer for the government?

Answer. No, sir.

Question. Do you know with whom Fitch made his contract?

Answer. I understood that he made it with Ripley.

Question. As you understand it, was the contract made with Ripley made by the direction of the Secretary of War, or by Ripley upon his own responsibility?

Answer. I did not understand anything about it. He simply tele-

graphed that the guns were sold, and they were shipped at once to Harrisburg.

Question. What interest had Fitch in the contract?

Answer. None.

Question. What commission were you to pay him?

Answer. There was never any agreement about it.

Question. Was he to receive a certain portion of the profits?

Answer. There was no agreement between us.

Question. He had no interest in the guns.

Answer. No, sir.

Question. Was anybody connected with you in the ownership of the guns?

Answer. No, sir; I was the sole and exclusive owner at the time.

Question. Had you made a purchase, conditionally or unconditionally, with the English house, or with the broker?

Answer. Fitch telegraphed me that he had made a sale of those guns, and upon that I bought them.

Question. Did he telegraph at what price they could be sold?

Answer. No, sir.

Question. Then at the time he took on the sample you were not the owner of the guns?

Answer. I might be considered the owner then because the bill of sale came to me. I bought through a broker.

Question. Who was the broker?

Answer. I do not know.

Question. Was he a regular broker?

Answer. I do not know. There are so many of them, and with a gun on their shoulders usually.

Question. What did you pay for those Prussian guns?

Answer. I do not know as I should tell. They were sold to the government by more than three dollars cheaper than they can buy any more for.

Question. Do you not know that those guns were offered to Major Hagner?

Answer. I do not think a sample of those guns was ever shown to him.

Question. Are those the only 4,000 guns you have known delivered at Harrisburg for the State of Pennsylvania from this city during the last three or four months?

Answer. Yes, sir.

Question. I would like to know the cost of those guns, that I may ascertain whether the department is managing that branch of its business well.

Answer. I do not know what latitude this committee has in asking questions, but if I were in a court of law I should refuse to answer that question, because I do not think it is a proper one. There is a long story to tell in answering the question. The guns were first sold to the government for \$13, by sample, by Fitch. After the delivery and the opening of the boxes at Harrisburg—they were not opened here—it was found that all the guns were not like the sample.

The house here to whom those guns were sent was informed of that, and inasmuch as they went there in bond, although they were invoiced to this house by the house on the other side at \$11 50 and the charges, this house was afraid that the government would seize them. I told them I would give them six dollars for them. Under that state of things they accepted my offer.

Question. What was the original price you were to have paid for those guns?

Answer. I was to have paid \$11 50 and the charges.

Question. But there were no charges if the guns were taken by the government?

Answer. There were charges to the amount of several hundred dollars, but no duties.

Question. Why were they apprehensive of the government seizing the arms?

Answer. They did not know any better, I suppose, but I did. Since the guns were taken by the government at that price, instead of at the invoice price, this house has received a letter from the house in Prussia, stating that the guns were not the same lot that they supposed they were, and therefore that they were not, as he supposed, worth \$11 50. I have no doubt it was a pure accident. They have satisfied the agent that it was a mistake. They made three shipments at the same time, and made a mistake in the invoices. There could not have been any deception upon their part, from the fact that they had no opportunity to make any, for before they could have got any information from here they wrote that they had made a wrong invoice; that there was another invoice which that price applied to.

Examination by Mr. Fenton.

Question. After the examination at Harrisburg you made the deduction you have spoken of.

Answer. Yes, sir; and wholly because the house was in that situation they consented to it.

Question. By whom were you informed that the muskets turned out to be a different arm from what you supposed?

Answer. Fitch informed me that the muskets were not according to the sample. That was true; and though they might have been just as good, the government refused to take them because they were not like the sample. They offered to take them at \$8.

Question. What officer made the contract?

Answer. I do not know.

Question. Who inspected them at Harrisburg?

Answer. I do not know.

Question. Do you know why the guns were not subject to inspection here?

Answer. Because I got directions to send them directly from the custom-house, still in bond, to Harrisburg. I will give the government to day \$10 apiece for them.

Question. At the price at which they were shipped, what would have been the duty upon each one of those guns?

Answer. The invoice called for thirty per cent. The house could not have intended a fraud, because they were cheating themselves.

Question. Is Fitch a politician?

Answer. I do not know that he is.

Question. What have you understood as to Fitch's facilities of approaching the government?

Answer. Nothing.

Question. Did you understand from him through what agency in Washington city he was enabled to effect this contract?

Answer. No, sir.

Question. Have you understood from him the name of any person, connected or disconnected with the government, who was in Washington acting with him?

Answer. No, sir.

Question. You do not know what business he was engaged in?

Answer. No, sir.

Question. He came from Rome to this city?

Answer. I think so.

Question. And you do not know whether he is a politician, or what his business is?

Answer. No, sir.

Question. Was the government to pay you in treasury notes or in cash?

Answer. There was an understanding that they would pay in treasury notes.

Examination by Mr. Dawes.

Question. Tell the committee how you got acquainted with Fitch.

Answer. I do not know as I can tell. I have been trying to recall the circumstances. I was introduced to him at the Astor House by some one, but I cannot say by whom, nor can I tell how long since it was. It was since last spring.

Question. Did you have any letters of introduction to him?

Answer. No, sir.

Question. Did any one certify to you as to his character, his business capacity, or his integrity?

Answer. I do not know that they did. I had no occasion to trust him with any large amount of means, and I had no occasion to inquire on those points.

Question. You did not put any funds into his hands?

Answer. I had no occasion to.

Question. You would not go into a business operation with a man whom you did not know to be a man of character, would you?

Answer. I take it that he is a man of character.

Question. From what circumstance?

Answer. From all I have seen of him I should say so.

Question. Have you ever heard anything from anybody else that led you to believe that he was a man of character?

Answer. I must have heard so, but I cannot tell from whom.

Question. You think it was within the last three or four months that you became acquainted with him?

Answer. Yes, sir.

Question. How long after that had you business with him?

Answer. Two or three months.

Question. Upon what occasion did you make his acquaintance at the Astor House?

Answer. I do not know; some one introduced me to him.

Question. You do not know what his business has been heretofore?

Answer. I have understood that he was formerly an editor of a paper at Rome.

Question. You never heard that from him?

Answer. No, sir; and I do not know from whom I heard it.

Question. And you do not know that it is so?

Answer. I do not.

Question. Have you heard anything else about his business transactions?

Answer. I never heard anything against him in my life.

Question. Have you heard anything for him?

Answer. I found him at the Astor House with somebody, but I do not remember with whom, I saw so many people about that time.

Question. Upon what representation of his own, or in his behalf, did you enter into business with him?

Answer. Until he had the contract to deliver the guns I had no business with him, or talk about business. I think after that he came to me.

Question. He came to you representing that he had a contract with the government, which he wanted your aid in filling?

Answer. Yes, sir; either that he had it or could have it, and he wanted me to become interested in a portion of it.

Question. Did he represent to you his means of fulfilling any part of it?

Answer. No, sir. It never occurred to me that he had means to invest in anything.

Question. Did it occur to you that if he had a contract for seventy-five thousand arms, and you became interested in only twenty-five thousand, you might get into difficulty about the remainder of the contract?

Answer. It was afterwards arranged by the government that the contract should be divided, and I had nothing to do with the other portion.

Question. How did you arrange that part of it so as to relieve yourself from obligations touching the rest of the contract?

Answer. There were other parties, satisfactory to the English house, who united to carry out the contract for the other fifty thousand arms.

Question. Who were those parties?

Answer. I do not know their names. I was satisfied that those parties would carry out the other part of the contract; that they were responsible; and yet they now say they will not fulfil the contract.

Question. Name one of them.

Answer. I think the name of one of them was Sampson, an agent of an English house.

Question. Now, sir, have you done all this business with Fitch without knowing anything more about him than you know about me?

Answer. I had nothing to lose in the matter, as I know of.

Question. Did you go into all these transactions with Fitch without knowing anything more about him than you know about me?

Answer. It was not exactly going in with him, but with the government. I had the government upon my side. I did not care anything more about him than about a broker.

Question. I want to know if you made a bargain with him to fulfil a contract which he made with the government for the delivery of twenty-five thousand stand of arms, at twenty dollars apiece, without knowing anything more about him than you know about me.

Answer. I know very little more about him than I know about you.

Question. What is that little?

Answer. I have told you all.

Question. You have not told me anything about him?

Answer. I do not know anything about him.

Question. Does it come to this, that you entered into this contract with him to fulfil upon your part his contract with the government for that large amount, and he an entire stranger to you?

Answer. I had nothing to do with him. That part of the contract was assigned to me.

Question. Did you know whether he was a shark or a clergyman?

Answer. I did not know, and did not care.

Question. Then it is true that you entered into this contract with him as entire a stranger to him as you are to me?

Answer. I have not said so. I have known him for months.

Question. What did you know of him more than you know about me?

Answer. I had seen him for six months.

Question. And that is all you knew?

Answer. I did not look upon the matter as going into business with him.

Question. But whatever your relations to him were, and whatever their character was, is it a fact that those relations were entered into with him without knowing anything more about him than you know about me? Is there anything about him which enables you to say that you knew anything more about him than you know about me?

Answer. I have seen him more.

Question. What do you know in relation to his business with the government more than you know about mine?

Answer. As to his business with the government I saw the papers signed. I did not care about him personally. I had the contract assigned to me.

Question. I want to know whether you entered into these relations with him when he was as much a stranger to you as to me?

Answer. As to his business transactions, I say I did not know anything about him in that respect.

Question. When he telegraphed to you that these arms which were sent to Harrisburg were not according to the sample, did you know enough about him to know that he was telling the truth?

Answer. Yes, sir; I had formed the idea that he was an honest man.

Question. How did you come to that conclusion?

Answer. I have generally found myself correct in the estimate I have formed of the character of men with whom I come in contact.

Question. You would not put any reliance upon a telegraph from me unless you knew something about me.

Answer. I would if I knew you as well as I knew him.

Question. Had you any knowledge of him which authorized you to put a confidence in his statement which you would not put in mine?

Answer. I had, because I had seen more of him than I have of you; I had no knowledge of him except such as I have mentioned; I formed my judgment from his appearance and from the people who were about him, &c.; I never asked the question whether or not he was a man of property.

Question. Did you ever see him at any other place than at the Astor House and at your office, before you entered into this arrangement with him?

Answer. No, sir.

Question. What are his associations? Who did you find him with?

Answer. Well, with a great many; I do not know who it was that introduced me; that troubles me, and I have been trying to think whether it was Stetson or not.

Question. Was it Mr. Matteson?

Answer. No, sir.

Question. Was it Stetson?

Answer. No, sir.

Question. Was it Develin?

Answer. No, sir.

Question. Now, do you know who it was?

Answer. I cannot tell; my impression is that it was not Matteson.

Question. In whose society did you find him at the Astor House, which led you to infer that he was man of character?

Answer. I saw him about there with various persons of my acquaintance; I cannot tell who they were.

Question. Cannot you give me the name of one of them?

Answer. Well, Palmer V. Kellogg, of Utica, was one.

Question. Who else?

Answer. Matteson might have been there; I presume he was.

Question. Did you learn from those men, in casual conversation or otherwise, anything about this man?

Answer. I do not know as I did.

Question. Did you ever see in any letter anything about this man which would lead you to have confidence in him or to mistrust him?

Answer. I do not know as I ever did; I never saw anything in letters or in anything else, which induced me to believe I ought not to have confidence in him.

Question. Or that you ought to.

Answer. I never had occasion to investigate the man's character.

Question. He was to let you have one-third of his profits, was he not?

Answer. Yes, sir.

Question. The contract with the government was made with him?

Answer. Yes, sir.

Question. And you had got to deal with him?

Answer. No, sir; because the money was to be paid through another source.

Question. How was the money to be paid?

Answer. The contract was to be deposited with the president of a bank in New York, and that bank was to pay the English agent \$18 apiece for the guns.

Question. To whom was the government to pay its money?

Answer. To the president of this bank.

Question. Did the government agree to pay it to the bank?

Answer. No, sir; but it agreed to pay upon the delivery of the guns.

Question. Did Fitch get the contract in such form that the government was obliged to pay the money to anybody but Mr. Fitch?

Answer. To whoever he might select, and he gave a power of attorney to pay the money to this bank.

Question. Did the government contract to pay the money wherever he said?

Answer. No, sir.

Question. Did the government agree to pay for the guns wherever he said?

Answer. No, sir; but they agreed to pay for them at the port of New York, upon their delivery here in bond.

Question. Where were they to pay and to whom?

Answer. It would follow that they were to pay for the guns here. The reason I never had any occasion to inquire into Fitch's responsibility was, that he had nothing to do with receiving or paying over the money; the president of that bank was to pay over two dollars upon each of those guns to me.

Question. But I was inquiring about the government contract. Did the government bind itself to this Mr. Fitch, who never knew anything about the guns, to pay for them wherever he said?

Answer. No, sir; they bound themselves to pay \$20 apiece for the guns in bond at the port of New York, which means here in this city.

Question. Did that obligate the government to pay anybody Fitch should appoint?

Answer. I know the papers were drawn so that he had a right to assign them, and they were all assigned, in *escrow*, to this bank.

Examination by Mr. Holman.

Question. The contract was assigned to the bank?

Answer. Yes, sir; the power of attorney covered the whole ground.

Question. Do you know O. B. Matteson?

Answer. Yes, sir.

Question. Was he at your office with Fitch at any time?

Answer. He may have been, but he never came there with him.

Question. Was he there with Fitch in connexion with this business?

Answer. I think he was.

Question. What connexion had he with the gun business?

Answer. I do not know, and I never did know anything about his business with other parties.

Question. For what purpose was he at your office at the time Fitch was there?

Answer. I do not remember; it might have been to talk about the guns; I had nothing to do with Matteson about them.

Question. But he seemed to be connected with Fitch?

Answer. They seemed to know each other and to be friendly.

Question. If they were at your office, they were there in relation to the gun contract?

Answer. I cannot say that; Matteson frequently came to my office, but I do not know that he ever came there by any appointment with Fitch; I never made any appointment to meet them there.

Question. Have they been there together more than once?

Answer. I do not know; they may have been.

Question. Did you hear any conversation between them touching this gun contract, in your office or elsewhere?

Answer. No, sir.

Question. Do you know a man by the name of Wood, formerly Commissioner of Public Buildings in Washington city.

Answer. No, sir.

Question. Where is Matteson from?

Answer. Utica, New York.

Question. You think it was not Matteson who introduced Fitch to you.

Answer. I think it was not.

Question. Were they ever together at your office until after this contract was made by Fitch with the government?

Answer. I think not; still I cannot swear positively about it.

Question. Are you able to say, from the conversation you heard between those parties, that Matteson did not seem to have some interest in that contract?

Answer. I cannot say; Matteson is a shrewd man, and would not be likely to tell me about his matters.

Question. Did you ever hear Fitch say that Matteson had any interest in it?

Answer. No, sir.

Question. And you never heard Matteson say that he had?

Answer. I think not; I had an impression, though I do not know that I had any reason for it, that he was interested in some of those guns, but neither of them ever said anything to me about it.

Question. Was Matteson one of the responsible parties referred to who were to furnish the other 50,000 muskets?

Answer. No, sir; those parties were the agents of English houses here.

Question. You had not been engaged in dealing in guns prior to this contract with Fitch?

Answer. No, sir; and my being so now was merely accidental.

Examination by Mr. Steele.

Question. Had you any conversation with Fitch in reference to this matter prior to the time of his getting the contract?

Answer. I think it very possible I had; whether he said he could get the contract, or whether he said he had it, I cannot say.

Question. What I want to know is, whether you and Fitch had a conversation about the guns prior to his getting the contract?

Answer. I cannot say whether we had or not; it is very possible and very probable, and yet I would not swear that I had a conversation with him about the guns before that time.

Question. In your intercourse with him prior to the time of getting the contract, did he in any way impress you with the belief that he had peculiar facilities for getting contracts from the government?

Answer. No, sir; if he ever said any such thing it passed through my mind without making any impression, because I would not have believed it.

Question. But you had implicit confidence in his word?

Answer. I would not believe any man who would come and tell me that he had peculiar facilities for getting contracts from the government.

Question. Were these guns what are called Needle guns?

Answer. No, sir; they were Prussian guns, taken from their armory.

Question. Were they guns which had been altered over?

Answer. I think they were originally percussion-lock guns.

Question. Wherein did they differ from the sample?

Answer. Some of them were equal to the sample, but some of them had been in service so much as to injure the appearance of them.

Question. You say they were guns which belonged to the Prussian government?

Answer. They say so, and that they were taken from the Prussian armory.

Question. Were they smooth bore?

Answer. Yes, sir.

Question. Did you see the guns yourself?

Answer. Yes, sir.

Question. What was the lock?

Answer. I should judge, from its appearance, that it had never been altered.

NEW YORK, *September 27, 1861.*

JOHN C. KRUSE, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in this city, and am a wholesale fancy goods dealer at No. 360 Broadway.

Question. Have you had any business in fire-arms?

Answer. Yes, sir; I had a consignment of 25,000 muskets, which I sold to the government.

Question. Were they consigned to you individually, or to your firm?

Answer. To our firm.

Question. With whom did you make the bargain for their sale?

Answer. With General Frémont. A sample was shown to him when he was here at the Astor House. He left, and Mr. Schmidt, my partner, went to Washington. In the meantime I got a despatch from General Frémont making an offer for half the lot. We telegraphed to him that we would not sell them to him unless he would take the whole lot. I first asked \$7 50 apiece. He said he would take 12,000 of them at \$6 50. We telegraphed him that he might have the whole lot at that price. He replied that he would take them, and they were shipped immediately.

Question. Have you got your pay?

Answer. Not yet.

Question. What kind of arms were they?

Answer. Plain Austrian muskets.

Question. An altered musket?

Answer. No, sir; a musket with a percussion lock.

Question. Were they muskets which had been used?

Answer. Twelve thousand had been used, and 13,000 were new.

Question. What was the invoice price to you?

Answer. The old ones were invoiced at \$2, and the new ones at \$2 40, and the expenses.

Question. What expenses were there?

Answer. They came by steamer, and the charges were very heavy; but I do not remember how much.

Question. From whom did you receive them?

Answer. From my old partner, who used to be in that business before.

Question. Where does he live?

Answer. In the city of St. Gall, Switzerland.

Question. Where were they sent from?

Answer. From Vienna, the capital of Austria.

Question. From what port?

Answer. Hamburg.

Question. What led to this purchase of arms by your old partner, and their shipment here?

Answer. Because he had been a long time in this country, and he thought there was danger of difficulty here, and he thought to assist the government by sending them here.

Question. Did he not know that they were refuse arms?

Answer. No, sir; they were bought two years ago, at the time of the Italian war.

Question. Did he think two years ago that there was to be difficulty here?

Answer. He was a married man, and he invested some money in arms and sent them over here.

Question. I understood you to say that your old partner made the investment because he thought there was to be difficulty here.

Answer. How could he have known that then? He could not. He sent them over on account of there being trouble here.

Question. Is it a usual thing for a man to invest his money in old arms?

Answer. Every man has his fancy, and he had a fancy to invest his money in arms.

Question. Where did you send those arms?

Answer. To St. Louis.

Question. How were they sent?

Answer. By Adams's Express.

Question. Have you heard anything from them since?

Answer. My partner has been on there; the arms all arrived.

Question. Do you know whether they are considered fit for service there?

Answer. Yes, sir; they are in use.

Question. Has there been any objection made to them?

Answer. Not the least.

Question. Is the arm a modern one?

Answer. It is a good musket, of the bore of $\frac{6.9}{100}$ measure; the same as the United States musket bore.

Question. You say that half of those muskets had been used.

Answer. Yes, sir; but you would scarcely notice the fact.

Question. What is the net profit on that whole purchase to the seller?

Answer. I do not know; I have not made a calculation; there is the interest on the investment for two years, and the expense of sending them here; I am sorry I sold them when I did for I could get more for them now, and I should not have had the trouble I have now.

Question. What trouble have you now?

Answer. My partner has had to go to St. Louis to get the requisition.

Question. What is the reason the requisition was not signed before?

Answer. Because it was difficult to find General Frémont.

Question. Were the arms ever inspected here by an United States officer?

Answer. No, sir; they were examined here by the Adams' Express Company so far as to ascertain that they were in good order.

Question. How did they examine them?

Answer. They opened the cases and looked at the arms.

Question. Did they open every case?

Answer. I think not quite all of them.

Question. Who gave them that authority?

Answer. General Frémont did. I did not want to ship them before they were examined here, in order to prevent any trouble hereafter.

Question. Why did you not select your own examiner?

Answer. The guns were in bond, and I told General Frémont they must be examined; he telegraphed back that Adams & Co., would examine them.

Question. Where did he telegraph from?

Answer. St. Louis.

Question. How long after he left here?

Answer. It may have been two or three weeks.

Question. Is your partner in St. Louis now?

Answer. No, sir.

Question. Did you get the requisition signed?

Answer. Yes, sir.

Question. How much did it amount to?

Answer. The amount of the guns and 3,000,000 of percussion caps amounted, I think, to \$166,600.

Question. Do you know of anybody else here who has been selling arms to General Frémont?

Answer. No, sir.

Question. Have you had any other transaction in arms?

Answer. No, sir; a contract has been made with me for those caps. I have an order for 3,000,000 more.

Question. Was there no complaint made of your arms?

Answer. No, sir.

Question. Do you say a good gun can be made and sold for two dollars?

Answer. I should like to see a good gun for two dollars.

Question. But that is what your old partner paid for these?

Answer. Yes, sir; that may be.

Question. Can they be made for that?

Answer. No, sir.

Question. How did he get them for that if the Austrians considered them a good arm?

Answer. I do not know anything about that.

Question. Could they have been made for that two years ago?

Answer. No, sir.

Question. Does the cap we make here fit that gun?

Answer. No, sir; we have to furnish caps. The caps came with the guns, and we are to furnish more.

Question. Were there bayonets with the guns?

Answer. Yes, sir; good ones, but they were four sided instead of three sided.

Question. You were entirely satisfied with your sale?

Answer. Of course.

Examination by Mr. Steele.

Question. Did your old partner, at the time he consigned the muskets to you, limit you as to the price at which you should sell them?

Answer. Yes, sir.

Question. What was the lowest price?

Answer. Six dollars and fifty cents.

Question. Could you not have sold them for six dollars?

Answer. No, sir.

Question. Did he not leave you any discretion upon the subject?

Answer. I found I could sell them for that price. He said that was about the price he calculated to get.

Question. Did he say you should not sell them for anything less than that?

Answer. No, sir.

Question. Did you ever offer these arms to any other person?

Answer. No, sir; except to the government.

Question. You did offer them to the government?

Answer. My partner was in Washington, and he offered them to the government, but they thought they were something different from what they were, and did not want them at that time. Afterwards they made great inquiry for them, but in the meantime they had been sold. A sample of the guns was left at Washington, and when my partner returned from the west he came through Washington, and the man with whom he left the sample told him that parties had inquired for the guns.

NEW YORK, September 28, 1861.

CHRISTOPHER P. WOLCOTT, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. Be good enough to state your residence and the capacity in which you are acting at the present time.

Answer. My residence is Ackron, Ohio, and I hold now, by appointment of the governor of that State, the position of judge advocate general, and am charged with the purchase of military stores, and especially of arms.

Question. State what you know in relation to the purchase of arms made here by the government, or by the agents of any State, and by individuals for the government. State first in relation to your own purchases.

Answer. I have no personal knowledge of any purchases beyond those made by myself.

Question. What have you known in reference to the purchases which have been made here by different agents?

Answer. I have heard of such agents being here, and have met some of them. I will state that in April last I purchased here, for the State of Ohio, 2,000 of the long Enfield rifles, at \$22 50, deliverable here. Subsequently, and, I should think, before the first of May, I made another contract for 3,000 more, at \$23 each. I purchased directly from the importers, the firm of Schuyler, Hartley & Graham. The guns were deliverable along from 60 to 90 days. All the guns under the last contract, with the exception of 200, have been delivered; but about half of them, being delivered after the passage of the act remitting the duties upon arms imported by States, we had the benefit accruing from that act; so that the cost of those subsequently delivered was between \$18 and \$19. I have purchased in England about 8,000—I cannot give the exact number—long Enfields at an average price, delivered in Ohio, including everything, of seventeen dollars, or a little less.

In addition to that I have sent orders abroad, to England, for 10,000 more, which I suppose will be purchased for about sixty-five shillings apiece there, which will make them cost \$18 in Ohio. The original order for the 10,000 went abroad in August last, and my limit was sixty shillings; but before my order reached there the price in England had gone above that point, and I telegraphed my agent this week, by way of Cape Race, to pay seventy shillings if necessary. Since the telegraph went he has informed me that he thought he could fill the order for sixty-five shillings.

I purchased in April, for the State of Ohio, 750 cavalry sabres, at \$7 50 each. I am trying now to buy arms of various descriptions—pistols, carbines, and swords—but have met with indifferent success at any price I felt willing to pay.

I have heard, but have no personal knowledge of the fact, that Indiana has purchased some 1,500 or 1,600 stands of arms at about \$19, deliverable in bond here—the Enfield gun. I understand that Vermont has been purchasing here; I do not know how many, nor the price paid, in all cases; but I have been told that Vermont paid as high as \$27 for long Enfield guns.

Question. Of whom did she purchase here?

Answer. She purchased one thousand of Schuyler, Hartley & Graham.

Question. Were the guns purchased by Indiana purchased of the same firm?

Answer. I understand so. I think the principal purchases exceed what I have mentioned. Maine has been buying guns here, but of whom I do not know. There are so many agents of the various States, and so many agents of the government itself, each seeking to purchase arms, and competing with each other necessarily, that the effect has been to carry up the price of arms beyond all reasonable and all necessary limits.

Question. I would inquire whether the large number of agents in New York and elsewhere has increased the body of arms which can be made available to the country?

Answer. I think that, to some extent, the employment of agents by the States has been unavoidable, because the War Department has not conducted its operations upon a sufficiently comprehensive scale, and would not have obtained, by its own agents, anything like the number of arms which have been obtained, in the manner in which they have been obtained.

Question. But the number of arms obtained in the city of New York has not been increased by running up the price?

Answer. Yes, sir; I think it has. The producing capacity, both of this country and of Europe, has been increased by the fierce competition for arms, and everybody that could make them has made them.

Examination by Mr. Dawes.

Question. Do you think it possible to establish a single agency in New York of sufficient capacity to meet the demand?

Answer. It would be if it was understood that nobody but the general government would purchase arms.

Question. I ask you if it is possible to establish such an agency with capacity enough to meet the demand—that is, whether by the general government or by anybody else?

Answer. The difficulty to be encountered in that respect is this: Each of the States of Ohio, Indiana, Illinois, Massachusetts, Connecticut, and, perhaps, Michigan, have made appropriations of their own funds for the purchase of arms for their own militia, amounting in the aggregate to a great many millions of dollars. The general government, at the same time, is seeking to purchase arms for its troops, regulars and volunteers. Now, the general government says to the governors of the States I have named, we authorize you to raise so many volunteers and we will accept them from you. The authorities of each State have a natural pride in putting their troops in the very first ranks of those who are most effective in suppressing the rebellion. The governor of the State of Ohio says to me, "the general government will, at some time, be able to furnish us arms, but that is too long, and we cannot wait for it. Now, I am authorized to spend \$500,000 in the purchase of arms for the militia of our State. I will purchase those arms and put them into the hands of our volunteers." I think it impossible to restrain the executive authorities of the various States who have been empowered to purchase arms from competing with such agents as the general government may have.

Question. Would not the general service be benefited by having unity of action in that particular?

Answer. If it could be understood that this agency would buy every effective arm which could be had anywhere, and that the various States would be treated justly in the distribution of those arms, it could be done.

Question. Then there is no intrinsic difficulty in it but the fear that it could not be done properly?

Answer. Yes, sir; that is the leading idea.

Question. Then, in your opinion, such an agency could be estab-

lished, if fairly carried out, and that it would be beneficial to the general service?

Answer. Yes, sir.

Question. In this struggle among the States, each to secure for its own soldiers a better quality of arms, is the general service, in that particular, benefited?

Answer. I do not think the general service has been prejudiced by that, for it is my impression that the States have paid less than the general government for arms of the same quality.

Question. Has not the general government itself been compelled to pay higher for arms because of this competition between itself and the State agencies?

Answer. Yes, sir; in consequence not only of the competition between itself and the State agencies, but between its own different agencies.

Question. Its own agencies could not compete between themselves if they all sprung from the same agency?

Answer. No, sir.

Question. Has not the effect been to bring into the market an inferior quality of arm, and to put it at a price higher than the best quality of arm would have brought if there had been one single agent?

Answer. Undoubtedly.

Question. Then if in the beginning the government had established one single agency of sufficient capacity to purchase all the arms for the general service, would it not have been better for the governors of the several States, and for the whole service, that all arms should have gone into the service through that agency?

Answer. Yes, sir; beyond all question.

Examination by Mr. Washburne.

Question. The States which buy these arms expect to be reimbursed by the general government?

Answer. Now they do, but originally they did not.

Question. If the government is to reimburse them, what ground of complaint would any State have if the government should say: "in order to protect ourselves, we will buy all these arms for you?"

Answer. Every State would be very glad to have the government do that, but the States have not been satisfied that the government would perform that duty as efficiently as they could do it themselves.

Question. We want to know whether that cannot be done in the future at an immense saving to the government?

Answer. It might be.

Question. Would it have been possible for such a thing as this to have happened under such an agency as that, that 25,000 refuse arms, rejected by one United States officer, could find their way into the service?

Answer. It could not. I would modify my reply to this extent: the demand for arms is enormously in excess of the supply. Take States situated as Kentucky and Missouri are, and anything that will carry a ball is better than nothing.

Question. If the governors of the States could feel that there was a government agency here of sufficient capacity and integrity to secure every arm fit for the service, which it was possible to get, would they not feel that the public good was advanced by that course?

Answer. Undoubtedly.

Question. Have you any doubt as to the efficiency of that method, beyond your doubt of the ability of the government to establish such an agency?

Answer. No, sir.

Question. Has not the government that ability?

Answer. The government has the power to do it. I think a bureau of that kind could be organized by some men which would be beneficial to the government. There are some men of such business tact and energy that they could successfully carry out an organization of that kind.

Examination by Mr. Holman.

Question. Do I understand you to say that the States which are now purchasing arms purchase them with the understanding that the general government will reimburse them ultimately?

Answer. That is the present understanding, under a law of Congress; yet, still, some of the States I have named would, without that understanding, go on and purchase arms.

Question. Would not the public interest be subserved by enabling the general government to furnish arms to such States as are more immediately in need of them, for instance, Missouri and Kentucky?

Answer. Certainly.

Question. One other question: Do you know of any instance in which the competition has resulted in conditional sales of the same lot of arms?

Answer. I do not know that to be the case, but I have every reason to believe that it has been. I think it is a common practice, where persons who are buying arms for the government, and for States, are approached by middle men with offers to sell them arms, deliverable, always, at a given day hence, say 30, 60, or 90 days, that those middle men have no control of the arms, either themselves, or by contract, and if they enter into contracts, it is at large figures; and their ability to fulfil their contracts depends upon their ability to buy those arms from the importers as they arrive here. The effect of it is to make two profits upon the arms, first to the importer, and next to the middle man.

Question. And if they cannot fulfil their contract, and make a profit, they will not fulfil it at all?

Answer. Of course. They have no responsibility, and are of no account. Their fulfilment of the contract depends upon whether they can make a profit or not.

Question. What do you learn was the difficulty with these Austrian muskets at St. Louis.

Answer. I do not know. I was incidentally present at a conversation in which it was stated that no one of the Austrian lot of arms

purchased for General Frémont had been issued, and that they were being fitted up for use.

Question. Do you know who, in behalf of Frémont, negotiated for those arms?

Answer. I do not.

Question. Do you know any person assuming to act for General Frémont, or any person who has made any purchases for him?

Answer. There is a Mr. Stevens here, who, I understood, had been appointed by General Frémont a member of his staff, and that he has been authorized by General Frémont to make purchases of military supplies here, including everything the general might need. Whether he has, in fact, purchased anything I do not know.

Question. What, in your opinion, has been the increase in the price of arms in this country, resulting from the competition in the purchase, over what the price would have been if the purchases had been effected through a single agency?

Answer. The increase in price is due in part to competition, and in part to the sudden demand for arms beyond the supply.

Question. Would you be able to fix any per cent. of increase resulting from either one cause?

Answer. No, sir; any answer would be merely conjecture.

Question. Some 25 or 30 per cent.

Answer. It is very considerable, but I cannot estimate it in the way of percentage at all.

Question. Have you any other remedy to suggest for this state of things?

Answer. No, sir. The War Department has been very erratic in the prices paid for arms. A gentleman in Washington last week told me he had just sold them long Enfield guns at \$27 50.

Question. The shorter ones bear a higher price.

Answer. They have heretofore, but now about the same.

Question. How many did he sell at that price?

Answer. I do not know how many he had delivered that day, but he told me he had a contract for one or two thousand. General Mitchell had been assigned to the department of Ohio, and naturally he was anxious to have arms sent there. The general met this man, Justice; they had been old schoolmates. Mitchell learning that Justice had arms to sell, was anxious to have them directed to his department if it could be done. I was there with the governor of the State of Ohio, and Mitchell said to him that he had better get those arms and send them to Ohio. I called upon Justice, and learned from him that he had contracts abroad, under which he expected to receive, within thirty, forty, or fifty days, 2,000 stand of guns, and that he had an arrangement for selling the greater portion, if not all of them, to the general government at \$27 50, directly to the War Department; and that, with the consent of the War Department, and, indeed, without their consent, if I would agree to pay the same price I might get those arms.

Question. What do you understand to be the present policy of the government in reference to allowing the States to purchase arms, and at what price?

Answer. It is, in some instances, to authorize the State executive to purchase arms and equipments for the troops which such executive has been authorized to raise, at rates not exceeding those paid by the government at the time for similar articles.

Question. Do you not understand that the prices so paid by the general government are exceedingly fluctuating?

Answer. Yes, sir; and fluctuating constantly in an upward direction, if I may so speak. I ought to say that I think, and, indeed, that I know, so far as my knowledge goes, that the purchases made directly by the States, and before the States expected to be indemnified by the general government, were made upon better terms than the purchases made recently by the War Department itself.

Question. Is there any general system of inspection of arms purchased for the government and the States?

Answer. There is a general system for the inspection of arms purchased by the general government, but none so far as a State is concerned, except so far as each State may establish such a system for itself.

NEW YORK, *September 28, 1861.*

GARDNER G. HOWLAND, being duly sworn, was examined, as follows:

Examination by Mr. Holman.

Question. State your residence and the business in which you are engaged.

Answer. I reside in this city, and am engaged in the shipping and commission business.

Question. What is the name of the firm with which you are connected?

Answer. Howland & Aspinwall.

Question. State the names of the individual members of the firm.

Answer. Meredith, Howland, Lloyd, Aspinwall, and myself.

Question. Have you been engaged to any extent in the purchase and sale of arms during the last five months?

Answer. To a considerable extent.

Question. State where your firm has principally purchased arms.

Answer. We have not purchased any on our own account, but we have been interested with other parties. We have purchased arms in Birmingham.

Question. State who were those other parties?

Answer. William H. Aspinwall, John L. Aspinwall, and Edward Cunard.

Question. State under what name those individuals have transacted business in the sale and purchase of arms in this country?

Answer. The orders have gone through our house. We have transacted all the business.

Question. And the other parties you have mentioned were simply interested in the contracts you have made, and in the profits and losses?

Answer. That is all.

Question. Was your firm engaged in the purchase of arms prior to the 12th of April last?

Answer. No, sir.

Question. Have all the gentlemen you have mentioned been connected with all the purchases and sales you have made?

Answer. No, sir.

Question. Have all the purchases you have made been made in Europe?

Answer. Yes, sir.

Question. Did your house purchase directly of the manufacturers, or did you purchase through intermediate agencies?

Answer. We have had several transactions; one direct with the manufacturers, and one or two by way of consignment from other parties, and one or two in purchases by our agent abroad, in which we were partially interested.

Question. What is the character of the arms you and your associates have purchased since you have been in that business?

Answer. They are the best quality of the long Enfield rifles of the make of the present year.

Question. Has your firm, as the agent of other parties, purchased and sold arms for parties in the United States, or in Europe?

Answer. We have for parties in Europe.

Question. Can you state in general terms what number of the arms you have mentioned your house has been connected with the purchase and sale of?

Answer. The only arms we have sold at all is one parcel of six hundred second-hand Enfield rifles, which we sold to a broker in New York. We had no interest in them, except as commission merchants.

Question. To what extent have you made purchases?

Answer. To the extent of 60 or 70 pistols, and several hundred thousand percussion caps.

Question. I am speaking in reference to arms.

Answer. Of the arms we purchased in Europe we sold 1,000 to the State of Massachusetts, and 2,000 to arm dealers in New York.

Question. To what extent have you purchased arms?

Answer. Our contract was for 20,000 rifles.

Question. So that the 20,000 rifles and the lot of 600, which were sold by your house on consignment, and those other articles you have mentioned, cover all your transactions?

Answer. We have contracted for the sale of all of them.

Question. Then your contracts for sale cover all the purchases you have made?

Answer. Yes, sir.

Question. What transactions have you had with the government for furnishing the Enfield rifle?

Answer. We contracted to furnish the government with the balance

of our contract, which consisted of 17,000 guns—the other 3,000 having been sold previously.

Question. Can you call to mind the name of the broker to whom the sale of 2,000 was made?

Answer. A portion of them were sold to Schuyler, Hartley & Graham, and 1,000 of them were sold to a gunner opposite the City Hall.

Question. When did you enter into the contract with the government for the sale of the 17,000?

Answer. I think it was in July.

Question. Had you made your contract for the purchase of those arms before or after the contract with the government was made?

Answer. After.

Question. Were the arms then delivered or were they subsequently delivered?

Answer. They were subsequently to be delivered.

Question. By what member of your party was this contract made, and with whom was it made?

Answer. It was made by my partner, Mr. Aspinwall, with some member of the ordnance department—I think General Ripley.

Question. Do you understand that it was made directly with General Ripley or through the Secretary of War?

Answer. Directly with General Ripley.

Question. What were the terms of that contract?

Answer. It was that we should furnish these guns at a certain price, provided our orders could reach England in time to prevent the sale there which we had previously ordered our agent to effect.

Question. You had then ordered your European agent to sell the arms abroad?

Answer. Yes, sir.

Question. How long before the contract with the government was it that you had given this order to your agent in Europe?

Answer. Some weeks before.

Question. Had you imposed any particular restriction upon your agent there in the sale of those arms?

Answer. No, sir.

Question. Was this agent the direct agent of your firm?

Answer. He was a man employed by us for this particular purpose.

Question. Was it in the early or in the latter part of July that the contract was made between Aspinwall and General Ripley?

Answer. I think it was in July, but I am not positive. If made in July, it was near the first of July. If not, it was made the latter part of June.

Question. How soon were these arms to be delivered and subject to inspection?

Answer. If our orders reached England in time, the shipments were to commence at once, and the arms were to be delivered in instalments not exceeding 2,000 per month.

Question. By the terms of that contract, what price was the government to pay?

Answer. Nineteen dollars a gun, in bond.

Question. What was the duty upon the invoice price?

Answer. I think it was 30 per cent.

Question. When, if at all, were you informed by General Ripley, or any gentleman connected with the ordnance department, as to the inspection of those arms, and what was the character of any notice you received upon that subject?

Answer. We were notified that Captain Whitely, at Governor's island, would inspect the arms.

Question. Were you notified of that at the time the contract was made, or subsequent thereto?

Answer. We were informed that we would be notified who would inspect them, and Mr. Whitely called upon us within a week after Mr. Aspinwall returned from Washington. We were enabled to give him no information, except that we had despatched our orders by the preceding steamer.

Question. What was the next notice you received in relation to the inspection?

Answer. By order of Major Hagner we were ordered to deliver the arms to Captain Whiteley.

Question. Where was Major Hagner at that time?

Answer. I called to see him at the Fifth Avenue Hotel, but did not find him.

Question. Had you any correspondence with him upon that subject?

Answer. I had.

Question. Can you furnish that correspondence?

Answer. I cannot, because I wrote one note at the Fifth Avenue Hotel, and did not keep a copy of it.

Question. How long was that before he gave the order for the delivery of the arms to Captain Whiteley?

Answer. It was the same day, or the day after.

Question. What was the purport of your note to him?

Answer. It was that we were prepared to deliver a certain number of rifles under our contract with General Ripley, and that we would be pleased to have his order for their delivery from bond free of duty.

Question. What number of arms did you specify in the note?

Answer. I think 1,200.

Question. State what number you delivered to Captain Whiteley.

Answer. In the neighborhood of two or three thousand.

Question. And those you delivered under your original contract with the government?

Answer. Yes, sir.

Question. To what extent, since that time, have you fulfilled the terms of your contract?

Answer. When I speak of two or three thousand, I speak of the entire delivery. On that particular occasion I think we delivered twelve hundred—making a total of two or three thousand.

Question. State whether the contract has elapsed for the fulfilment of the contract, or whether you are still furnishing arms.

Answer. We are still continuing to furnish arms, or will do so when we receive them, at the original price.

Question. At what price were the one thousand arms sold to the State of Massachusetts?

Answer. At \$27 50 each, duty paid.

Question. What would that make them equal to delivered in bond?

Answer. Equal to \$23 50 in bond.

Question. Was that sale to Massachusetts made before or after you made the contract with Major Ripley?

Answer. Previous to it.

Question. How long previous?

Answer. A month or six weeks.

Question. Through whom was that sale made?

Answer. It was made directly to the State.

Question. At what price were the two thousand sold which you sold in this city between the time of the sale to the State of Massachusetts and the delivery which you made on the contract to General Ripley?

Answer. The only sale we made of a round lot was made at the same price that we sold to Massachusetts. We had at one time a parcel of four hundred and ten, which we sold to a gunmaker here for \$26 50, making a deduction upon smaller numbers. We also combined some other guns with another lot of rifles, at a nominal price for the whole.

Question. But the two thousand were sold at about the same price as those you sold to Massachusetts?

Question. Do you know what became of the two thousand you sold in this city?

Answer. I do not.

Question. What information have you upon that subject?

Answer. I cannot say that I have any information. The report was that they were to go to the State of Indiana.

Question. All of them, or only a part?

Answer. One thousand guns.

Question. To whom were they sold?

Answer. To a gunner opposite the City Hall.

Question. Do you understand that they were purchased by that party for the State of Indiana, or with a view to fulfilling a contract with that State?

Answer. I do not know.

Question. What kind of arms were those you sold to Massachusetts?

Answer. They were long Enfields.

Question. What is the difference in price between the long and short Enfields?

Answer. The short are the more expensive, and are very slow of sale. We got \$20 in bond for second-hand Enfields after we made the contract with Ripley—that is, for 600 of them.

Question. To whom were they sold?

Answer. To a broker.

Question. For what purpose?

Answer. I do not know.

Question. Where did they go?

Answer. I think they were sent west.

Question. Why did not the State of Massachusetts save the duty upon those arms?

Answer. Because they purchased them before the passage of the law for the remission of duties.

Question. What is the name of the broker to whom the 600 were sold?

Answer. I think his name is Kemeys.

Question. To what broker did you understand he sold those 600 arms?

Answer. I understood he sold them to Samuel Buckner or Buckley.

Question. And the only additional information you had was that the arms went west?

Answer. I have no information upon the subject.

Question. State how it was that those guns were sold in bond if they were sold to a broker?

Answer. Because he entered no goods after it was understood that States could get guns from bond without payment of duty. We entered no goods in warehouse for general consumption. We entered into a contract to sell the goods in bond. I understood from the party, when he bought those guns of me, that he bought them for the State of New York, or I should not have sold them so cheaply; because we have made it a rule not to sell to brokers, where they want to make a profit on them, before they go to a State. I understand that the party who had agreed to take them had held off and on until he was obliged to dispose of them to this other man.

Question. They were finally sold to some State, and taken out of bond?

Answer. I do not know that. They were sold by us in bond, and the broker sold them at a higher price—a price which we could have got if we did not suppose that they were going to a State.

Question. Your agent had not disposed of your guns there before your communication reached him?

Answer. He had not.

Question. By whom have the body of the arms which have been purchased in this city been purchased? Have they been purchased by the government of the United States, or by the State governments, so far as those purchases have come under your observation?

Answer. So far as I know, by the different States, or their agents.

Question. Has this business, to any great extent, gone into the hands of brokers in this city?

Answer. To a considerable extent.

Question. Are there any direct transactions between the original holders of these arms and the government of the United States?

Answer. I am not able to say.

Question. Are most of these transactions effected by intermediate parties, brokers, and the like?

Answer. So far as we are concerned we prefer to sell to men in the trade; and we have done so, because it is more easy to collect.

Question. How is it as to the gun business generally in this city?

Answer. I cannot say.

Question. Did you ever have occasion to inform Major Hagner that you were not able to furnish arms under this contract of yours?

Answer. No, sir.

Question. You neither informed Major Hagner nor any other party connected with the government to that effect?

Answer. No, sir.

Question. What other conditional or unconditional sale of arms have you made to the government?

Answer. We made an offer to sell 10,000 guns; or, rather, we did not exactly make the offer, but we said we thought we could control that number.

Question. At what price did you propose to sell them to the government?

Answer. I think it was \$20 in bond.

Question. Those were guns yet to arrive, in part?

Answer. Yes, sir.

Question. Who had authorized you to make that offer to the government?

Answer. I did not look upon it in the light of an offer. Our letter to the government said that we thought we could control those guns. I think the letter was to General Ripley.

Question. And, if you could, that you would furnish them at a given price?

Answer. Yes, sir.

Question. The only information you received from the government was that Major Hagner would inspect them?

Answer. That was all.

Question. What other information did you have from Major Hagner upon the subject?

Answer. He notified us that he would inspect the guns upon arrival.

Question. Did you answer that communication?

Answer. Yes, sir. I replied that the guns had not arrived; that we were very anxious that the government should have them; and that we would telegraph him the moment we received information of their arrival.

Question. Was anything said in that letter about your contract with the government, or about whether you had made one or not?

Answer. We had not made one at that time. These were not Enfield rifles but the Minie musket. The price was \$20.

Question. Did the government receive them from you?

Answer. No, sir.

Question. How long was it after the letter from Major Hagner to your firm before the guns reached this city?

Answer. I cannot say; I never saw them.

Question. How long after receiving this first note you spoke of from Major Hagner, and your answer to it, did you inform General Ripley that you were not able to control those guns?

Answer. I do not recollect.

Question. Did he come to this city upon that business?

Answer. I saw him in this city, but I do not know what he came for.

Question. Did he refer to the subject again?

Answer. Yes, sir, he did, after receiving my letter saying that we

regretted to inform him that the control of those guns had been withdrawn from us.

Question. Did you inform the party for whom you were acting that you had made this proposition to the government?

Answer. We informed him that we were in treaty with the government for the sale of the guns.

Question. Did you inform him of the steps you had taken?

Answer. We informed him that we were in correspondence with Washington and that we had received an order to have the guns inspected upon arrival.

Question. To whom were those guns sent?

Answer. I do not know.

Question. To whom did you understand they were sent?

Answer. I did not understand the name of any party.

Question. Did the guns ever reach this city?

Answer. I never heard that they did; I think I heard that some of them reached here, but I never kept track of the matter.

Question. Did you hear for what they were sold and to whom?

Answer. No, sir; I did hear that they were a lot of rejected Minie rifles from the French army, that they had been bought upon speculation, and sent to Tiffany for sale.

Question. But to whom they were sold, and at what price, you have no information.;

Answer. None, whatever; Tiffany merely informed us that he had withdrawn our authority to sell those guns, because he had himself sold them.

Question. Did you not regard the correspondence between yourself and the government as a consummation of the power which has been conferred upon you to make a disposition of those arms?

Answer. Yes, sir; I should think so.

Question. Did not your principal regard himself bound by that contract?

Answer. He gave us no positive orders to sell those guns at a certain price; but he told us that if we could sell them at a certain price, he thought we could have them, but he had the power to control them.

Question. (By Mr. Steele.) Did you understand that these guns were consigned to Tiffany by a house upon the other side?

Answer. I understood, merely, that he had the control of them.

Question. And that he did not own them.

Answer. I understood from his remarks that he had an interest in them; I did not understand that he owned the whole of them; he did not say that he did.

Question. (By Mr. Fenton.) He knew the invoice price of them at the time he partially authorized you to negotiate a sale of them.

Answer. Probably he did.

Question. He was as competent to authorize you to make a sale of the guns as he was to withdraw your power, was he not?

Answer. I cannot say.

Question. (By Mr. Dawes.) Had you not as much power to authorize you to sell them as he had to sell them himself?

Answer. I presume so.

Question. And he had authorized you to sell them?

Answer. Yes, sir; he said he would like to have us sell them, or to see what we could get for them.

Question. And in pursuance of that authority you entered into that negotiation with the government?

Answer. Yes, sir.

Question. You felt that you had some authority when you entered into the negotiation?

Answer. Yes, sir; we thought if the arms were satisfactory we would have the privilege of selling them.

Question. What was the agreement between you and the government?

Answer. It was that if they would take immediate steps to accept the sale, provided the arms were satisfactory, we thought we could control them.

Examination by Mr. Holman.

Question. Did you submit any contract or proposition to any other parties in reference to those same arms?

Answer. No, sir.

Question. Did you have any correspondence with any agents of States upon the subject?

Answer. No, sir; we could not do that, as we were already in correspondence with the government upon the subject. We thought the government wanted those arms, and we would have been glad to let them have them. We were not to make anything upon them except our commissions.

Question. What were your commissions?

Answer. $2\frac{1}{2}$ per cent.

Question. Did you not know, at the very time you were in correspondence with the government for the sale of those arms, that the gentleman for whom you were acting was operating with other parties for the sale of the same arms?

Answer. I did not.

Question. After conferring upon you authority to sell those arms upon the ordinary commission, and knowing of your correspondence with the government, and knowing that your proposition virtually placed the arms at the disposal of the government, did not Tiffany make some explanation of the motives which induced him to withdraw your authority?

Answer. He did. He said he had made another disposition of the guns. We had made to the government no positive avowal of our ability to get the guns, but had only expressed our desire to do so, and the conviction that we could succeed.

Question. You made the proposition. The proposition was accepted by the government. You had been notified of the fact that an officer had been appointed to inspect them, and you expressed your gratification that he had been appointed?

Answer. Yes, sir; we had informed the government that we

thought we could control the arms, provided the government would signify their willingness to accept them at a certain price.

Question. And they did express their willingness to do so?

Answer. They said that Major Hagner would inspect them upon arrival.

Question. And upon that you wrote to Major Hagner upon the subject?

Answer. Yes, sir; we did not think the guns would be sold before their arrival.

Question. Did Tiffany tell you that he made a sale of the guns before their arrival?

Answer. He did not tell as that he had sold them. He said he had disposed of them.

Question. Did he state how?

Answer. No, sir.

Question. Nor at what price?

Answer. No, sir.

Question. Did he advance upon your price to the government?

Answer. He did not say.

Question. Have you any information as to where those guns went?

Answer. None whatever.

Question. Have you any information derived from any source?

Answer. None. I do not want you to understand from me that Mr. Tiffany put those guns into our hands for sale, because what he said was that he would like to have us sell them, and that he would give us authority to sell them if we could.

Question. And he was to pay you $2\frac{1}{2}$ per cent. commission?

Answer. Yes, sir; provided we could sell the guns.

Question. And your engagement with him was such as to authorize you to take the steps you did?

Answer. Yes, sir; for the purpose of placing them in the hands of the government.

Question. And the government accepted your proposition?

Answer. They did not accept our proposition. Our idea was that General Ripley, being in want of arms, should say that he would take those arms, provided they proved satisfactory.

Question. Did he not say so?

Answer. No, sir; he did not. If he had said so we should have made an effort to hold them.

Question. Did you not regard the note from Major Hagner, notifying you of the fact that he proposed to make the inspection, as an acceptance of your proposition by the government?

Answer. No, sir.

Question. Was not that fairly inferable from the note you wrote?

Answer. I think not.

Question. Then the effect of this transaction was, that whatever might have been the expectation of the government, this man Tiffany was left free to make any better contract that he could touching the sale of the arms?

Answer. I do not know what the inference of the government was.

Question. Was it a fair inference, that while this gentleman author-

ized you to sell the guns at a certain price he retained to himself the right to sell them to anybody else?

Answer. He did not give us authority to sell them at a certain price. He wanted us to try to sell the guns, and he thought a certain price should be asked for them.

Question. Did you not express to Major Hagner your satisfaction at the sale of the guns to the government?

Answer. No, sir; I told him that we would like to have the government have them, and that we would telegraph him as soon as the guns arrived, in order that he might get here before other parties could buy the arms.

Question. He came here without delay, did he not?

Answer. I did not see him until some days afterwards.

Question. Are these the only transactions you have had with the general government or with States in reference to the sale of arms?

Answer. Yes, sir; we had sold arms to other parties in New York and at the west.

Question. To what parties at the west have you sold?

Answer. I do not know the names of the parties. The arms were to go to General Frémont's army.

Question. What kind of arms?

Answer. Pistols and caps.

Question. How many pistols?

Answer. I think there were 79.

Question. When were they sold?

Answer. In August.

Question. With whom did you make the contract?

Answer. We made no contract. We understood from Mr. Blunt that if the pistols were sent out where the party was that General Frémont would take them at a certain price.

Question. What kind of pistols were they?

Answer. Trantor's pistols.

Question. Where is Mr. Blunt?

Answer. He is a member of the Union Defence Committee, and is engaged in supplying such regiments as want arms with such arms as he can get.

Question. Was he acting as a friend or as the agent of General Frémont?

Answer. I do not know.

Question. You made no contract as to price for those pistols, but simply sent them on at Mr. Blunt's suggestion?

Answer. I think so; I was absent from the city at that time, and all I know about it is from hearsay. I was informed of the matter by my house after I returned.

Question. At what price were those pistols to be furnished to General Frémont?

Answer. We got \$25 for them.

Question. Do you know a man by the name of Stevens, of this city an aid of General Frémont?

Answer. I do not.

Question. Have you had any transaction with Frémont beyond the furnishing this one lot of pistols?

Answer. I have not. All the pistols I sold out of the city are the pistols and caps I have mentioned.

Question. What pistols and guns have you sold in the city?

Answer. None, except those I have mentioned, with the exception of some small lots.

Question. (By Mr. Steele.) Was this contract which you had with the government made with your immediate partner or with Wm. H. Aspinwall?

Answer. With my immediate partner.

Question. Do you know whether Wm. H. Aspinwall has any interest in any other contract with the government?

Answer. I do not; but I feel sure he has not.

NEW YORK, *October 4, 1861.*

ARTHUR M. EASTMAN, being duly sworn, was examined as follows:

Examination by Mr. Fenton.

Question. Please state your residence.

Answer. I reside at Manchester, New Hampshire.

Question. What is your business?

Answer. I am not in any regular business. I am familiar with fire-arms and ordnance.

Question. Have you had any transactions with the government, in relation to the sale and purchase of arms, during the last spring and summer?

Answer. I have.

Question. In what way and to what extent?

Answer. In June I knew that the government had a large lot of Hall's carbines on hand, which I understood were a very good arm. I made application to General Ripley to alter them so as to make them a modern fire-arm.

Question. Is General Ripley at Washington?

Answer. Yes, sir; at the head of the Ordnance bureau. He declined to have the alteration made; and then I proposed to buy them, and did so.

Question. What alteration did you suggest to him?

Answer. The arms were made along at different times for a number of years when breech-loading arms were adopted by the government merely on account of the convenience of loading at the breech. After that the new modern breech-loading fire-arm came up, wherein the chamber where the charge is inserted is larger than the barrel beyond it, thereby shutting off the escape of gas and getting a greater distance of range. I proposed to alter those arms in a similar way, so as to

make them as efficient as the modern arm. General Ripley said that their experience was that when they altered anything they made it worse than it was before, and therefore he declined to have any alteration made.

Question. Did you purchase the arms?

Answer. I did.

Question. About what time?

Answer. Some time in the month of June.

Question. In what quantity?

Answer. I purchased whatever the government had at the different arsenals—supposed to be about six thousand, but I have received only about five thousand four hundred.

Question. What price did you pay, or agree to pay?

Answer. Three dollars and a half each, taking them as they were—good, bad, and indifferent, of every quality and condition.

Question. Did you subsequently sell those carbines to the government or to other parties?

Answer. I sold them to an individual.

Question. About what time?

Answer. In July.

Question. To whom?

Answer. Mr. Simon Stevens, of this city, was the chief negotiator.

Question. Did you sell the entire lot of Hall's carbines which you purchased from the government?

Answer. I sold all the best ones. Those I sold were entirely new, and never had been used. They were extremely well made; and after they were altered they were as good an arm as the government has in the service, no matter what price they have paid for it.

Question. What price did you sell them for?

Answer. For \$12 50.

Question. Have you received your pay?

Answer. I have.

Question. Of Mr. Stevens?

Answer. Mr. Stevens did not fulfil the contract at the time agreed on, and all his rights became forfeited, and I sold my paper to another man.

Question. To whom?

Answer. To Ketchum, Sons & Co., of this city.

Question. Did you receive any portion of the payment from Mr. Stevens prior to the transfer of the obligation you had from Stevens and other parties to Mr. Ketchum?

Answer. The government would not allow me to take any of the arms at any one place, unless I paid for the whole before taking any. At this place there were 1,000 arms in one body, which required a large amount of money, and Mr. Stevens made an advance to make this purchase.

Question. How did you become acquainted with Mr. Stevens?

Answer. Major Hubbard introduced me to him.

Question. Had you long known Mr. Hubbard?

Answer. I had known him a few days.

Question. Had he something to do with the purchase or sale of these arms?

Answer. He pretended to be able to buy these arms of me, and if he could not he said he could recommend me to a man who he thought would make the purchase, and it was with the view of making the sale and purchase that we were brought together by this Mr. Hubbard. Mr. Hubbard was expected to have some benefit from the transaction, I suppose.

Question. Do you know to what extent Mr. Hubbard was interested?

Answer. I only know from his own statement.

Question. What was his statement in relation to the matter?

Answer. His statement to me was that he was to have half the profits if Mr. Stevens made the purchase. Mr. Stevens afterwards failed to perform his agreement with me.

Question. Who introduced you to Ketchum, Sons & Co.?

Answer. Mr. Hubbard said he would carry out the contract if I would allow him to do so; that he would pay me my money and take the obligation and the property.

Question. You spoke of profits; had there been a sale by Stevens of these arms so as to realize a profit?

Answer. I spoke of anticipated profits. I said I was satisfied if they would pay me my money, and that I would take no advantage of the lapse of time if the thing could be closed at once. Hubbard said he was able to procure me the money if I would indorse the paper over to parties he would designate. I said I would do that and amongst others he introduced me to Mr. Ketchum. But Mr. Ketchum, not feeling satisfied with the condition of things, declined to make the advance to Hubbard for that purpose. But after having entertained the subject awhile, and becoming familiar with the matter, he was induced to make another arrangement afterwards.

Question. State what this other arrangement was.

Answer. I do not know what it was any further than that I endorsed the papers over to him and he paid me the money.

Question. What amount of money did Ketchum pay you?

Answer. He paid me the balance which was due me upon the paper—\$37,500—for which I indorsed over my paper to him which held the whole property as security.

Question. How much had you previously received from Stevens or other parties?

Answer. \$20,000.

Question. You have stated that you understood that Hubbard was to have half the profits.

Answer. Yes, sir; Hubbard made the statement to me, but Stevens made no statement in regard to it.

Question. If you have any knowledge of the amount of profits which were to be shared respectively by Stevens, Hubbard, and Ketchum, please state it.

Answer. I have no knowledge whatever upon the subject. I concluded that it was left to the mercy of Ketchum whether the other parties had anything or not.

Question. Have all these arms been delivered?

Answer. I have delivered all I have sold. I have yet some which are unsold.

Question. Do you know whether Stevens, or Hubbard, or Ketchum have received the money for those carbines which they sold afterwards?

Answer. I do not.

Question. Are you cognizant of their making the sale?

Answer. It was understood that they had made a sale.

Question. To whom?

Answer. To General Frémont, as I understood.

Question. Do you know at what price they were sold to General Frémont?

Answer. No, sir; except by hearsay.

Question. You have no knowledge of their having received payment?

Answer. None.

Question. From whom did you derive information that they had sold the arms to General Frémont?

Answer. I think it was a matter generally understood. I think Mr. Stevens told me that General Frémont was the purchaser.

Question. Has Mr. Stevens, since your transfer of the security to Hubbard, continued to evince an interest in these arms and the payment to you?

Answer. I have not seen him since until within a day or two. I have been away from the city, and when I returned he was gone.

Question. Have you been engaged in the purchase of any other arms from the government?

Answer. I have.

Question. Please state what arms, what number, and at what price?

Answer. The Navy Department had a large lot of Jenks's carbines and a few of Hall's, such as I purchased from the War Department. These were not adapted to the service of the Navy Department, and they also required alteration to make them applicable to the times. Captain Harwood asked me one day to buy those arms, and after taking the matter into consideration for a time, I returned and bought them. That was in two or three weeks after the request of Harwood.

Question. What number did you purchase?

Answer. All that the department possessed, wherever they could be found at the yards.

Question. How many have you received under that contract?

Answer. About 2,800, which I have now on hand.

Question. State what price you paid for those arms.

Answer. Three dollars each.

Question. Are these all the arms you have purchased of the government?

Answer. Yes, sir.

Question. Whom did you employ to remodel the Hall carbines you first spoke of?

Answer. W. W. Marston, of this city, altered most of them. I had 1,000 of them done elsewhere. We paid Marston, according to the work he put upon them, from 75 cents to \$1 25 each. We paid much more for altering the last lot. When done, no matter at what price, in my opinion, they are as well made and as serviceable an arm

as the government has. I have been more or less concerned with fire-arms for twelve or fifteen years, in both this country and in Europe, and I think I am a judge.

Question. Had any person or persons an interest with you in the purchase of these arms from the government?

Answer. No, sir.

Question. Have you had any interest in the resale of these arms by Stevens or other parties?

Answer. No, sir.

Question. Then so far as your connexion with this transaction goes, it was confined to the purchase of the same from the government, and the sale of them to the parties you have mentioned?

Answer. Yes, sir; I have had no connexion with them beyond that.

Question. Have you yourself sold any of these arms to the government?

Answer. No, sir; not one.

Question. Have you mentioned all the arms you have purchased from the government?

Answer. I have. I never sold the government any arms or anything else. I never desired to sell them anything except rifled cannon, and then they said they were of no practical service to the government, and never would be.

Question. Are you at this time negotiating for the purchase of any additional amount of arms from the government?

Answer. No, sir.

Question. Do you know of Colonel Colt buying arms of the government?

Answer. I understood he bought of the government what were known as the Mississippi rifles, a large lot.

Question. How many?

Answer. I understood there were ten thousand.

Question. Did you learn at what price?

Answer. I did not.

Question. Do you know what Colonel Colt has done with those arms?

Answer. I do not; but I know they were for sale here in the street along in July. When I took my carbines from Governor's island I saw those rifles stored there, and I afterwards went down there to ascertain the condition of them, with a view, if they were not to be used by the government in that state, to see how they could be made available. Captain Whiteley then told me they had been sold to Colt and taken away.

Question. Do you know at what price the carbines were sold to General Frémont?

Answer. I do not. I have heard, however.

Question. At what price did you understand they were sold to him?

Answer. \$22 each. Mr. Hubbard came to me and said he had sold them at \$25, and that he would take them. Another gentleman also told me he had sold them for another service for the same sum. When they came back to me I told them I had sold them, and that I could not supply them.

Question. Who was the other person who said he had made a sale of them?

Answer. H. H. Babcock. He lives at Fort Plain, but spends much of his time in Washington.

Question. Had Mr. Babcock, to your knowledge, any interest in the sale of these arms to General Frémont?

Answer. Not any.

Question. What authority had he, at any time, to attempt to negotiate a sale of those arms?

Answer. The authority that my price was named to him, and to several other parties, and the statement that I should be satisfied whenever my price was paid to me, and they could sell them to whoever they liked. The same was the case with Stevens & Hubbard.

NEW YORK, *October 4, 1861.*

PHILIP S. JUSTICE, being duly sworn, was examined as follows:

Examination by Mr. Fenton.

Question. State your residence and business.

Answer. I reside in Philadelphia. My principal business is that of manufacturing and selling steel locomotive springs, &c. Independent of that I have been for the last six months connected with the manufacture of arms for the government. I have been an arms manufacturer for the last twenty years, more or less. For the last five years I have abandoned that, and have been almost entirely engaged in the other business I have mentioned.

Question. Are you a manufacturer of arms for the government under contract?

Answer. Yes, sir.

Question. To what extent, and what is the nature of your contract?

Answer. The nature of the contract now is for 25,000 stand of arms, Springfield pattern, which are to be delivered within the next fifteen months, at \$20 a stand.

Question. You speak of the Springfield pattern?

Answer. Yes, the rifled musket—the only pattern the government is now making.

Question. Have you any other contract for arms except the one now referred to?

Answer. None, except ordinary contracts, from time to time. I am an importer of arms, sabres, and military equipments, and have been for years; and whenever I receive any I go down and sell them either to the major of ordnance here or in Philadelphia.

Question. Where are you manufacturing arms?

Answer. At Bridesbury, Philadelphia, in connexion with the house of Alfred Jenks & Son. The contract really stands in their name. I am the only practical arm maker, but they had works which were

so situated that they could readily be converted into a manufactory for arms, and on that account they are connected with me in this matter.

Question. Have you, during the last four or five months, been a dealer in arms in this city or elsewhere, outside of this contract with the government?

Answer. Yes, sir; I have imported Enfield arms, and have armed one or two regiments entirely with those arms.

Question. Have you sold those arms you have thus handled directly to the government, or to other parties?

Answer. Most of my sales have been directly to the government. I go directly to the ordnance officer here. I have sold to private parties who were regularly purchasing; for instance, to parties who might be purchasing for St. Louis. Mr. Wolcott, of Ohio, and a gentleman from Kentucky, have been to see me. Most of my interviews with them have been in the presence of Major Hagner.

Question. Have you sold arms to Major Hagner?

Answer. Yes, sir; he has a voucher now for some just delivered. I have contracts in Europe for arms, and have had for some years.

Question. State, as nearly as you can, what arms you have handled, to what parties they have been transferred, and at what prices?

Answer. It is impossible to state exactly without looking over my books. Most of my arms have gone to the government through a regular ordnance officer. I do not think I have sold a single musket to speculators. I have sold a hundred or two hundred at a time to volunteer companies where they have wanted them; but without looking at my books it is impossible to tell how many.

Question. Can you approximate to the quantity?

Answer. I cannot. I am making arms by hand, not having the machinery ready. Machine-made arms are interchangeable—hand-made arms are not. I should think, perhaps, I have sold 5,000 stands of arms to all parties; of which, probably, the government has had 4,500.

Question. Were the imported arms Enfields?

Answer. Yes, sir; almost entirely. I have had some Swiss arms.

Question. What have you sold the Enfield guns for?

Answer. Generally speaking, with duty paid, for \$27 50, which would be equivalent to about \$22 or \$23 with duties off. That is the highest price. I have sold some at less rates.

Question. What were the Swiss guns you speak of?

Answer. They were Swiss muskets, some smooth and some rifled bore; some $\frac{5.8}{100}$ calibre, and some $\frac{5.9}{100}$ calibre. I have had only one lot of 486 Swiss muskets.

Question. Have all the arms you have sold either been imported to you, or manufactured by yourself or by parties connected with you?

Answer. Yes, sir; I have had nothing to do with arms which I have not either imported or manufactured, except that I have purchased small lots when I have been behind my promise to deliver to the ordnance officer. I have gone into the market and purchased to make up my contract, and at pretty severe figures too. But I have

manufactured or imported nearly everything which I have sold. I have Enfield muskets coming out to me now by nearly every steamer.

Question. Do you import in advance of a contract or arrangement here?

Answer. Yes, sir. The government have no contract with me for imported arms. They will not make contracts in advance. They say they will take them, if they want them, when they arrive.

Question. What is the cost of the Springfield musket, as manufactured at the Springfield armory?

Answer. I have heard two estimates of cost—one, by the ordnance department, at a little less than \$14, and another, which claims to be a great deal nearer, and which I think is nearer, at \$15 65. But that is no criterion of the real cost, because those estimates made no allowance for interest upon machinery, or interest upon investments in any shape. If you take into account the investment in Springfield in grounds and improvements, I suppose these arms cost the government more than \$30 each, perhaps \$35.

Question. Have you any knowledge of the sale by the government, to any parties, of arms which they considered unfit for service?

Answer. No, sir.

Question. Do you know of Mr. Colt having purchased a quantity of arms of the government?

Answer. No, sir.

Question. Or Mr. Eastman?

Answer. No, sir.

Question. Do you know anything about a lot of arms which it is said General Frémont bought of parties here, a lot of twenty or twenty-five thousand of Austrian muskets?

Answer. No, sir. I understood he bought a lot in Europe.

Question. Have you any knowledge of a sale to the government, by any parties, of a quantity of Hall's carbines—25,000 or such a matter?

Answer. I have not.

Question. Have you had any business transactions with the government in any other way than in the supply of arms?

Answer. None whatever.

NEW YORK, October 4, 1861.

SIMON STEVENS, being duly sworn, was examined as follows:

Examination by Mr. Fenton.

Question. State your residence, and the character of your business.

Answer. I reside at Lancaster, Pennsylvania, but am temporarily here. I am a lawyer by profession.

Question. Have you had any transaction with the government in the purchase and sale of arms within the past four months, and at what price?

Answer. I have sold to General Frémont, for the United States government, 5,000 of North's rifled carbines, made under Hall's patent, at \$22 each.

Question. Of whom did you procure those arms?

Answer. I got them from J. Pierpont Morgan, to send to General Frémont.

Question. About what time was this?

Answer. They were offered to General Frémont, by telegraph, in these words:

“NEW YORK, August 5, 1861.

“I have 5,000 Hall's rifled cast-steel carbines, breech-loading, new, at twenty-two dollars, government standard, $\frac{58}{100}$ bore. Can I hear from you?

“SIMON STEVENS.

“J. C. FRÉMONT,
Maj. Gen., Com'g Dep't of the West, Cairo, Ill.”

In reply to this offer I received the following despatch from General Frémont:

“HEADQUARTERS WESTERN DEPARTMENT,
“St. Louis, August 6, 1861.

“I will take the whole 5,000 carbines. See agent Adams's Express, and send by express; not fast freight. I will pay all extra charges. Send also ammunition. Devote yourself solely to that business to-day.

“J. C. FRÉMONT,
“Major General Commanding.

“SIMON STEVENS, New York.”

Question. What understanding, if any, previous to this despatch which you sent to General Frémont, had you with him in reference to the purchase of arms?

Answer. None whatever.

Question. Were you personally acquainted with General Frémont?

Answer. I was.

Question. State whether Arthur M. Eastman had anything to do with the sale or ownership of these arms which you sold to General Frémont.

Answer. Mr. Eastman informed me that he purchased these arms from the United States government.

Question. Did Mr. Eastman state to you what price he paid for those arms?

Answer. He did not at the time, nor did I know what he paid for them to the government until the 7th day of August.

Question. Was that the date of the acceptance of your proposition to General Frémont?

Answer. General Frémont accepted my offer on the 6th, and I earned the above fact on the 7th.

Question. Did you enter into negotiation with Mr. Eastman for the purchase of those arms prior to the 7th day of August?

Answer. I did.

Question. Did you conclude the contract with him?

Answer. A provisional contract.

Question. In what way, then, did the arms go into the hands of J. Pierpont Morgan?

Answer. They were placed in his hands as collateral security for money loaned upon them.

Question. To whom was the money loaned?

Answer. To me.

Question. Had you then, prior to loaning this money by Mr. Morgan, consummated the contract with Eastman for the purchase of these arms?

Answer. Yes, sir.

Question. At what price?

Answer. \$12 50 each.

Question. State whether Mr. Eastman, Mr. Morgan, or any other party, had any interest with you in the profits upon the sale of those arms to General Frémont.

Answer. The whole matter was conducted in my name, and it is a private transaction of which I do not feel at liberty to speak, or to give names of those interested, other than to say that no person connected with the government in any way whatever had any interest *pro* or *con* in the sale, to my knowledge.

Question. State whether one Mr. Hubbard had anything to do with the purchase and sale of these arms to the government.

Answer. Mr. Hubbard introduced Mr. Eastman to me, stating that he was a reliable person, and owned some carbines, at the same time showing me a sample of the carbines. I saw Mr. Hubbard but once after that. I then went to Washington city on business. The day I returned I understood Mr. Hubbard went to Washington, and I saw nothing of him afterwards until after the sale was completed. Mr. Hubbard went on to Washington expecting to meet me there, but I missed him by the way. Several days afterwards he telegraphed me from Washington that he had sold 1,200 carbines for \$25 each. I wrote to him that the carbines were already sold.

Question. What interest did Mr. Hubbard have with you in the ownership and sale of those arms?

Answer. He had nothing to do with the ownership of the arms, nor had he anything to do with the sale of the arms to General Frémont.

Question. State whether he had any interest in the profits arising from the sale of those arms.

Answer. I do not know that he has.

Question. Was there any understanding at the time, or subsequently, that he (Mr. Hubbard, or Mr. Morgan, or any other party) should share with you in the profits arising from the sale of those arms to General Frémont?

Answer. I did say to Mr. Hubbard that when the transaction was concluded, if it was all settled satisfactorily and without any difficulty

by any of his own officious intermeddling, I would cause him to be paid \$2,500. This conversation was some time in the first week of September.

Question. State what interest Mr. J. Pierpont Morgan had in the sale to General Frémont, or what his compensation was to be.

Answer. Mr. Morgan had no interest in the sale of the carbines to General Fremont other than that he was to be refunded the \$20,000 borrowed from him, with interest, and to be paid for his services and expenses in attending to the sale and collection of the money as trustee for all parties concerned.

Question. Will you state what amount he was to be paid for his services and expenses in transacting this business as such trustee?

Answer. That is a private transaction of which I do not feel at liberty to speak.

Question. Was Mr. Morris Ketchum, or Ketchum, Sons & Co., in any way interested in, or did they have anything to do with the sale of those arms to General Frémont?

Answer. They had nothing to do with the sale of the carbines to the government in any manner whatever.

Question. Had they anything to do with receiving the payment for the sale of those arms?

Answer. They had not.

Question. Had they any interest in the profits arising from the sale of those arms to General Frémont?

Answer. Messrs. Ketchum, Sons & Co. are bankers in this city, and I understand that they hold and own a draft I gave to Mr. Eastman on J. P. Morgan, payable, when in funds, from the proceeds of the sale to General Frémont, said draft having been purchased by them about the time of its maturity.

Question. Is that all the interest Ketchum, Sons & Co. had in the profit arising from the sale of those arms?

Answer. If they have any additional interest over and above such draft it was acquired at the time of or since the purchase of said draft from Mr. Eastman; if I was aware of the same, it is a private transaction of which I am not at liberty to speak.

Question. How and from whom did you first learn that Eastman had these carbines for sale?

Answer. I think about the last week in July. Mr. E. S. Hubbard called upon me with Mr. Eastman with one of these carbines; that was the first time I ever heard of or saw any of that kind of carbines.

Question. Had you known Mr. Eastman previous to this?

Answer. I had not.

Question. Had you known Mr. Hubbard?

Answer. I had seen Mr. Hubbard a few times before, at the St. Nicholas hotel and other places in this city.

Question. Were you acting during any of the time now mentioned as an agent or officer of the government?

Answer. I was not, in any way whatever.

Question. Have you since been engaged in the purchase of other arms or stores for the government?

Answer. I have since the 19th of August. When in St. Louis, on

the 18th of August, General Frémont gave me orders to purchase ordnance stores for him; he also requested me to act for him in forwarding supplies from New York to St. Louis; and also to have the goods sent to him from Europe passed through the custom-house and forwarded to him at St. Louis.

Question. What have you done under this general authority or instruction?

Answer. I have purchased nothing for the government except articles specifically ordered by General Frémont.

Question. What articles have been specifically ordered?

Answer. 500 Joscelyn's revolvers, at \$22 50, the first 100 of which were ready for shipment last Saturday week, but the parties declined to ship them because they had heard that General Frémont had been removed, and they feared they would not get their pay; consequently the pistols were sent to Captain Dahlgren, at the navy yard at Washington, and he paid the parties their price; they had delivered none on General Frémont's order under this purchase for the reason stated.

Question. Were there any other articles purchased by you?

Answer. I purchased three hundred cavalry sabres, and packing cases for the same, from Horstman, Bros. & Allien, for \$2,094; I purchased sixty-six sabres, with packing boxes, of Schuyler, Hartley & Graham, for \$463; I purchased a steel battery, from Norman Wiard, for \$12,000, on the following despatch:

“HEADQUARTERS, ST. LOUIS,

“August 29, 1861.

“Buy the guns from Wiard, including the twelve-pounders.

“J. C. FRÉMONT,

“Major General Commanding.

“Major SIMON STEVENS.”

This purchase included two twelve-pounders, four six-pounders, six gun-carriages, six caissons, one battery wagon, and one forge wagon, and all the tools and belongings, strictly in accordance with the ordnance manual, ready for the field, except harnesses for the horses. Mr. Wiard informed me, at the same time, that he had a large contract with the Navy Department upon the same terms.

Question. In your purchases, since the 18th day of August, in what capacity or relation to the government have you been acting?

Answer. Under General Frémont's authority I considered that I was acting as an agent for the government, and executed his orders accordingly.

Question. State what the authority was, or what particular instruction you had from General Frémont which authorized you so to act.

Answer. My instructions were principally by telegraph for specific articles; for instance, the despatch for the Wiard guns, as above copied, which was based, I understood, upon written propositions from Mr. Wiard. Other orders from General Frémont were in writing.

Question. State whether you hold a commission or have any au-

thority, as agent from General Frémont, in a manner to be recognized by the authorities in Washington.

Answer. I received no commission. The first necessity of a recognition of my action by the department at Washington, I presume, was upon a despatch from General Frémont to the Secretary of the Treasury, in compliance with the following despatch from myself:

“NEW YORK, August 23, 1861.

“Please request the Secretary of the Treasury by telegraph to direct the collector of this port, on my application as your aide-de-camp, to pass free all arms and ammunition imported for you.

“SIMON STEVENS.

“Major General FRÉMONT,

“*Commanding Department of the West, St. Louis, Mo.*”

Question. Were you acting aide-de-camp to General Frémont at this time?

Answer. Yes, sir; from the 18th of August, under a verbal communication made to me by General Frémont's private secretary, tendering me the position as aide-de-camp with the rank of major.

Question. State whether you received any commission or profit, directly or indirectly, upon the purchase for General Frémont of the articles alluded to since the 18th day of August.

Answer. I have not, in any way whatever. Parties sent their bills directly to General Frémont, at St. Louis, for all goods forwarded for him.

Question. In what way have you received your compensation?

Answer. I have received no compensation in any way.

Question. Are you expecting to receive any?

Answer. I am not, in any way.

Question. Are you not entitled to compensation as an aid to General Frémont, or as agent of the government?

Answer. I would have been had I received and accepted a commission regularly. I would have been entitled to the pay of major.

Question. Have you, since the 18th day of August, been connected with any other person or person in the profits arising from the sale of arms, stores, or munitions to the government?

Answer. I have not.

Question. Have you received pay for the Hall-North carbines sold to the government?

Answer. One-half of them have been paid for to Mr. Morgan.

Question. Do you know whether Mr. Eastman has received full payment or not?

Answer. For answer I refer to my answer in relation to Messrs. Ketchum, Sons & Co. having purchased the draft I gave Mr. Eastman upon Mr. Morgan.

Question. Have you a brother engaged as agent for the government in the purchase of arms?

Answer. I understand that my brother, Mr. Henry Stevens, of London, has been shipping arms to the government.

Question. Was he employed by the Secretary of War or by General Frémont?

Answer. I do not know by whom.

Question. Did he go out from this government as the agent of the government, or does he reside abroad?

Answer. He did not go out as agent of the government; he resides in London. He is the agent of the Smithsonian Institute, and executes commissions generally in England and Europe for State, public, and private libraries.

Question. Are you now acting aid to General Frémont?

Answer. I am not, nor have I been since the 21st of September.

Question. Do you know whether the sale of these arms to Mr. Eastman by General Ripley had the approval of the Secretary of War, or whether he had any knowledge of the sale at the time?

Answer. I know nothing about it further than the statement made to me by Mr. Eastman, that it was with the approval of General Simon Cameron, Secretary of War. I asked Mr. Eastman the question because, after I sold those carbines by sample to General Frémont, I learned, for the first time, that they were in the arsenal at Governor's Island.

Question. Did you or any party in your interest, after the sale to General Frémont, offer to sell those arms to the government, or any other party, at an enhanced price?

Answer. I did not, nor did any other person for me.

Question. Does this sale of Hall-North carbines to Frémont include all the arms you have sold to the government, except such as you have enumerated, since the 18th day of August?

Answer. Yes, sir.

TESTIMONY

IN RELATION TO

THE PURCHASE OF VESSELS AND NAVY SUPPLIES.

NEW YORK, *September 5, 1861.*

Commodore S. L. BREESE was sworn and examined as follows :

Examination by Mr. Holman.

Question. State the character of your employment under the government, and how long you have been engaged in its service in this city.

Answer. I am commandant of the navy yard at Brooklyn, and shall have been there three years on the first of November next.

Question. State the particular character of the duties you perform in your official capacity?

Answer. They are so multifarious I doubt whether I can. My services pertain to the known duties that are usually performed at navy yards—the preparing ships of war, superintending the police of the yard and of the ships that may be lying up at the yard, duties which are military in every respect.

Question. Have your duties necessarily brought you in connexion with the shipping generally in and about the harbor of New York for the last three years?

Answer. No, sir.

Question. Have they necessarily brought you in connexion with the shipping connected with the naval affairs of the government?

Answer. Yes, sir; necessarily.

Question. State whether, since the commencement of the present difficulties, you have been called upon by the Secretary of the Navy to perform duties in connexion with the purchase or charter of vessels for the government other than those which ordinarily come within the line of your position.

Answer. The purchasing and chartering of vessels does not necessarily form a part of the commandant's duty; but those duties I have been called upon to perform, more or less, during the time.

Question. About what time were you first called upon by the Secretary of the Navy to perform those duties?

Answer. I have letters showing the date you require, but I cannot speak definitely from recollection. (The witness, after examining his papers, continued.) On the 21st day of April last.

Question. Had your previous connexion with the naval affairs of the government furnished you facilities for the execution of such orders and enabled you to judge as to the quality and character of vessels such as the government might need?

Answer. Not personally; but through the naval constructor it had.

Question. State for what length of time you continued to exercise the additional duties which were so required of you by the Secretary of the Navy.

Answer. They were continued from the 21st of April until somewhere about the 18th of May.

Question. Did these additional duties which were imposed upon your department result in increased expense to the government?

Answer. No, sir.

Question. Did you perform the additional duties required of you by the Secretary of the Navy through your own agency and that of the persons already in the employment of the government in your department?

Answer. Not entirely. In addition to the naval constructor and the chief engineer, Captain Comstock, who was sent to me by the Union Defence Committee, and who had their entire confidence, and I believe the confidence of the community, and whose business had been, I understood, directly in that line, was engaged in the performance of those duties.

Question. Who inspected the vessels you purchased or chartered for the government?

Answer. The naval constructor and Captain Comstock; and in case of steam vessels, the chief engineer was added.

Question. Was the naval constructor an experienced person?

Answer. Very much so, and entirely familiar with vessels and their equipments.

Question. Was he a person entitled to the full confidence of the government in connexion with the purchase and charter of vessels?

Answer. I think so, fully.

Question. Was there any necessity for the employment in the examination and purchase of vessels for the government of any persons other than those connected with your department?

Answer. The necessity existed, inasmuch as Mr. Delano, the naval constructor, and myself knew not where to lay our hands upon vessels in the merchant service; and when the service of the department required despatch, and vessels were to be got ready in as few days as possible, this Captain Comstock, who knew most of these vessels personally, and knew where they could be obtained, was employed, and in the selection of vessels he was the principal agent. At that time, too, I was so pressed with business inside of the yard that I could not go and hunt up vessels.

Question. Was there any gentleman connected with your department who was qualified to judge of the value of vessels?

Answer. I do not know. If Mr. Delano, who has been a rather noted builder for some time, should be asked whether he could form a pretty good estimate of the value of vessels, he would probably answer "yes;" and I think I might be perfectly safe in answering in the affirmative also.

Question. By whom was Captain Comstock sent for to operate in connexion with your department?

Answer. I understood by the Defence Committee, through the chairman, Mr. Draper.

Question. Was he in any way employed by the Secretary of the Navy, or any other person connected with the naval department of the government, to render this service to you?

Answer. No; and I do not know that he was mentioned in any of my communications to the government, any further than that in my communications the department was, I believe, made aware that it was through his agency, in part, that the selection of the vessels was made.

Question. Was Captain Comstock recognized by you as regularly connected with your department at any time?

Answer. No, sir.

Question. Was he a sworn officer?

Answer. No, sir.

Question. Was he under bonds for the faithful performance of his duties?

Answer. Not at all.

Question. What was the character of his compensation, and by whom was it paid?

Answer. I do not know that he got any. I think I understood him to say that he got no compensation, either by way of commissions or otherwise, from the government.

Question. Did you understand whether or not he received commissions from the persons who sold vessels to the government?

Answer. No, sir.

Question. Did you hear from him, or any other person, the character of the commissions he received?

Answer. No, sir.

Question. With whom did you confer, besides Captain Comstock, in reference to purchasing and chartering vessels, whilst you were acting in that matter?

Answer. No one but George D. Morgan and Mr. Aspinwall.

Question. Can you state the number of vessels you chartered and purchased for the government?

Answer. Twelve or thirteen. We purchased five steamers, and chartered some seven or eight.

Question. Who called your attention to the vessels you actually purchased?

Answer. The gentlemen whom I ordered to find them.

Question. Who were they?

Answer. Mr. Delano, Captain Comstock, and the chief engineer.

Question. Who made an examination of the vessels with a view to determine whether they were seaworthy?

Answer. The chief engineer and Mr. Delano, but rather as auxiliary to Captain Comstock.

Question. Two of them connected with your department, and the third connected with the Union Defence Committee?

Answer. Yes, sir.

Question. Were the gentlemen connected with your department receiving any other compensation than that which they ordinarily received from the government by way of salary?

Answer. Not that I know of; and I think I may venture to assert that they did not, from any source.

Question. Was Captain Comstock connected with you in the selection and designation of all the vessels which you have mentioned as having been purchased or chartered by you for the government?

Answer. Not all of them.

Question. What vessels was he not connected with?

Answer. He was certainly connected with the purchase or charter of the first ten vessels.

Question. By whom was he superseded?

Answer. He was *de facto* superseded by Mr. George. D. Morgan; but I afterwards asked his advice and opinion about vessels, without reference to any other person.

Question. Who, prior to the time that Morgan became connected with your department, fixed the price of the vessels purchased or chartered by the government?

Answer. Mr. Delano, Captain Comstock, and myself.

Question. Did you, however, regard yourself as the person legitimately responsible to the government for the price at which these vessels were chartered or purchased?

Answer. Yes, sir.

Question. You simply consulted with those gentlemen as to the value of vessels brought to your attention?

Answer. Yes, sir.

Question. Were those vessels uniformly bought or chartered of the persons who were the actual owners, and who had been the owners prior to the breaking out of our present civil war—say prior to the taking of Fort Sumter?

Answer. I believe so.

Question. Do you remember any case where a vessel had changed hands a few days before the charter or purchase, and became owned by some other person than the original owner?

Answer. I do not to my own knowledge.

Question. What information have you derived from other persons, either before or since the purchase or charter had been made, as to the transfer of any of those vessels shortly before they were purchased or chartered by the government?

Answer. I have been informed indirectly that such was the case in reference to two coal ships which have not yet been spoken of here, and which were ordered to be purchased by me through an agent at New Bedford.

Question. Was that before or after Mr. Morgan became acquainted with the business?

Answer. After. And he was the person I should have consulted upon the subject, because I was directed to do so; but I did not do so, because he was not, I understood, in town at the time, and I applied to another person who had been associated with him before, and who had the confidence of the department and community. I refer to Mr. Aspinwall, and he recommended me his agent, who was honest, and who was intrusted with such business by himself, to make the purchases. I ordered the agent to make the purchase upon his recommendation, and to be approved by Mr. A.

Question. Had those vessels changed hands recently before?

Answer. I heard indirectly that they had been sold at a much less price to somebody else, whether at auction or not I do not know. But the government paid about \$7,300, each, for them. When I got them to the dock of the yard I had to expend some \$2,000 upon them by way of repairs.

Question. Who was this agent you employed?

Answer. His name was Starbuck.

Question. Of whom did he make the purchase?

Answer. They were citizens of New Bedford, but I do not recollect their names.

Question. Where was Mr. Morgan at that time?

Answer. He was absent I understood. He returned shortly afterwards, but in the interim this person had gone up to New Bedford and bought the vessels. When the ships came to the dock I ascertained that they needed re-coppering entirely, and when I got them on to the dry dock I found they needed many other repairs. Without those repairs they were not fit to send down coal in to Fort Monroe. The amount I expended in repairs I intended to deduct from the price of the vessels when I came to settle with the persons of whom they were purchased, but I afterwards ascertained that the payment had been made upon their delivery, without any bill being presented to me.

Question. Who made the payment?

Answer. Mr. Aspinwall; and hence I wrote to the department at Washington that, under the circumstances, I desired that Mr. Aspinwall might be considered the purchaser and not myself. They acceded to that request, inasmuch as I was ordered to coal the vessels and despatch them.

Question. At what price did you understand that these vessels had been purchased shortly before they were purchased by the government?

Answer. A letter was written to one of my lieutenants, by a resident of New Bedford, expressing his surprise at the price paid, and stated that the vessels had been sold a short time before for \$2,500 each.

Question. Were the vessels worth more than \$2,500 each?

Answer. One of them certainly was not; and the other, after we put the repairs upon her, might have been worth about what we paid for her.

Question. State whether you informed the Navy Department of the circumstances under which these vessels were purchased through the agency of Mr. Aspinwall?

Answer. Certainly.

Question. Did you pay for all the other vessels which you purchased for the government?

Answer. Yes, sir; I approved the bills, and the government approved of my acts.

Question. Before you were informed of the purchase of these two vessels Aspinwall had paid for them?

Answer. No, sir; not before I were informed of the purchase, but before I had had an opportunity of inspecting the vessels.

Question. When did you first become aware of the character of these vessels; and how and what did you learn at that time?

Answer. I went with Mr. Starbuck, the agent of Mr. Aspinwall, to look at the vessels at the dock, and having discovered their imperfections and the necessity for extensive repairs, I stated to him that the price should not be paid without deducting the cost of repairs. He then told me that the vessels had already been paid for by Mr. Aspinwall.

Question. Under what circumstances did he state that Mr. Aspinwall had made the payment?

Answer. Mr. Aspinwall wrote to me that Mr. Starbuck informed him the owners at New Bedford would not deliver the vessels unless they were paid for, which I thought rather an improbable story of the agent after seeing them in dock.

Question. Who first called your attention to these vessels?

Answer. Mr. Aspinwall himself, or Mr. Aspinwall through his agent. The government had suggested that *whaling* ships would answer the purpose, but did not say where they could be obtained; but I readily agreed with Mr. Aspinwall, or rather with his agent, that New Bedford was the place to look for them, as that was the chief place of fitting out whalers.

Question. The first suggestion as to whaling ships came from the Secretary of the Navy, but the suggestion of purchasing these two vessels came to you from Mr. Aspinwall or his agent?

Answer. Yes, sir.

Question. How long after the suggestion was made to you to purchase these two vessels did you send Aspinwall's agent down to make the purchase?

Answer. Almost immediately after—perhaps the next day.

Question. How long before the purchase of these vessels by the government had they changed hands, as you understood?

Answer. I cannot express an opinion upon that point.

Question. What did you hear upon that subject?

Answer. The information I had was contained in a letter to one of my lieutenants from a merchant, by the name of William Swan, jr., I think, of New Bedford, that the vessels had been sold but a short time before at a much smaller price; I believe he said \$2,500 each.

Question. He used the terms, you think, "but a short time before?"

Answer. I think the terms were "immediately before" or "a short time before."

Question. How did Mr. Aspinwall, or his agent, state that they became aware that these vessels were at New Bedford, and were for sale?

Answer. I do not know as they stated; Mr. Aspinwall and Mr. Starbuck were both originally, I believe, from New Bedford, and probably had mercantile acquaintances there. A part of Starbuck's family reside and belong there.

Question. State the names of the persons from whom you understood that Aspinwall, or his agent, purchased those vessels.

Answer. I do not remember their names, but I think I can ascertain their names from my papers.

(The witness subsequently informed the committee that the person from whom the vessels were purchased was Henry F. Thomas, of New Bedford.)

Question. When was your authority for purchasing vessels given, and when was it superseded?

Answer. April 21 was the date of the first order to purchase, and I believe the order ceased about the 18th of May.

Question. Did you inform the Department of the circumstances under which these two vessels were purchased, and that the prices paid for them were extravagantly large?

Answer. I now recollect that a gentleman from the department informed me that the department had not been advised of the purchase, and I had to reply to the department in reference to the matter. If I had not informed the department previously it was through inadvertence. But many communications to the department about that time were lost. After the sums of money I have mentioned had been expended upon these vessels for repairs, they remained at the dock, with barges of coal ready to put on board, until I could hear from the department whether or not they would receive them, and recognize the propriety of putting on those expenses, and it was three weeks before they were finally loaded with coal.

Question. You were ultimately directed by the government to accept the vessels and load them with coal?

Answer. Yes, sir.

Question. What do you know, if anything, of the government accepting those two coal vessels, purchased through the agency of Mr. Aspinwall?

Answer. I know it from the fact that a telegraphic dispatch from the department, of June 17, ordered me to direct the navy agent to coal the two vessels purchased by Mr. Aspinwall, and to despatch them to Hampton Roads.

Question. State whether the department, prior to that time, was informed of the character of those vessels, the price paid for them, and the fact of their having been purchased at an extravagant price.

Answer. I do not know, but I presume so.

Question. Was Mr. Aspinwall or his agent informed by you that he was to purchase vessels which could be immediately used by the government?

Answer. Yes, sir.

Question. How long after you informed the government of the circumstances under which these vessels were purchased were your instructions to purchase vessels superseded or revoked? And state as near as you can the day upon which the purchase was made by the agent of Mr. Aspinwall.

Answer. The purchase was made between the 13th and the 18th of May, and then Mr. George D. Morgan received a general order to purchase vessels.

Question. After the 18th of May who was authorized by the government to purchase or charter vessels at this port; and had you any further connexion with the business?

Answer. In answer to the first part of your question I would say, Mr. George D. Morgan. I had no further connexion with that business after the unfortunate purchase of those two coal ships, except the chartering of one ship specially designated by the department, and that only for a single trip, to convey ice and fresh provisions.

Question. With the exception of the two coal vessels, were all the other vessels chartered or purchased by you chartered or purchased at a fair price, according to the ordinary rates at which vessels could then be chartered at this port?

Answer. I believe so. They were chartered or purchased at their full value, I have no doubt, but I believe nothing more.

Question. You think the prices paid were not extravagant.

Answer. I think they were not extravagant at that time.

Question. Did you consult with George D. Morgan with reference to the price of any of the vessels you purchased?

Answer. Yes, sir; in reference to the *Freeborn*, and the two small steamers, the *Resolute* and *Reliance*.

Question. Were you expressly instructed by the department to consult with him, or to buy vessels subject to his approval, after Captain Comstock was virtually superseded?

Answer. Yes, sir.

Question. Have you any letter or letters from the department instructing you to make purchases subject to the approval of George D. Morgan?

Answer. On the 13th of May I was instructed to purchase vessels subject to his approval; and on the 29th I received a letter from the department in which I was directed to consult with George D. Morgan, as an individual having the special confidence of the department, and to advise with him in reference to the purchase of vessels.

Question. In what business had George D. Morgan been engaged prior to the time when you were instructed to consult with him in reference to the purchase of vessels?

Answer. I do not know.

Question. Had you been acquainted with him prior to that time?

Answer. No, sir.

Question. And of course he had had no connexion with your department.

Answer. No, sir.

Question. In what manner was he to be compensated for his services to the government?

Answer. I have an impression that he said he was to have a small commission on the purchases, but I do not desire to be positive upon that point. I presume it was to be the ordinary and customary brokerage.

Question. What is the ordinary brokerage in the purchase of vessels, and by whom is the commission paid?

Answer. I cannot say positively; but I believe it is $2\frac{1}{2}$ per cent., and paid by the seller.

Question. You have stated that you consulted Mr. Morgan, under instructions from the department, with reference to the purchase or charter of some of the vessels you purchased or chartered. Will you again mention the names of those vessels?

Answer. They were the three steamers, *Freeborn*, *Resolute*, and *Reliance*. I think the purchase of the other steamers were all made prior to his connexion with the business. I did not consult him in reference to the coal ships, because I understood he was out of town at the time. There was a third coal ship which Mr. Morgan purchased himself.

Question. At what price were the steamers you have named purchased?

Answer. The *Freeborn* for \$32,500, and the *Resolute* and *Reliance* for \$15,000 each.

Question. Who called your attention to those three vessels?

Answer. Commander Ward, because they were to form a portion of his flotilla. He called my attention to all of them.

Question. Did you negotiate for those vessels yourself, or was the negotiation carried on through Mr. Morgan?

Answer. Mr. Morgan made the bargain for the *Freeborn* for \$32,500.

Question. Do you know whether, during the time you were purchasing and chartering vessels for the government, any officer or officers under you received any commission or additional compensation from the government over and above the salary which you had been informed they received?

Answer. Not a cent in any shape, I am confident.

Question. How many vessels have been purchased for the government at this port by Mr. Morgan since you ceased to be connected with that department of business?

Answer. I do not know. He is the agent to purchase these outside vessels, and I have nothing to do with them until they are sent over to the navy yard to receive arms and stores. Their number has been some twelve or thirteen, I believe.

Question. Do you know, of your own knowledge, or from reliable information, of any improvident bargain, except the two you have already referred to, which have been made by the government in the purchase of vessels at this port?

Answer. I do not know the price paid for the vessels which are being purchased now.

Question. Do you know of any instance of vessels having been purchased by the government, either before or since your connexion with

that business, which, with the exception of the two you have referred to, had changed hands shortly before they were purchased by the government, or which were purchased of persons who, at the time, were not the owners of the vessels?

Answer. I do not. That fact would hardly be confided to me.

Question. Have you, in any instance, been instructed by the Secretary of the Navy, or any other person acting for him, to purchase a designated vessel at a price named?

Answer. I think not.

Question. How, and in what manner, and when did Mr. Aspinwall pay for the two coal vessels purchased at New Bedford, as you have understood either from him or his agent?

Answer. They were paid for at New Bedford by drafts drawn upon his late firm in this city.

Question. By whom were the drafts drawn?

Answer. By his agent, Mr. Starbuck.

Question. Was he the general agent of Mr. Aspinwall?

Answer. I so understood from Mr. Aspinwall.

Question. Will you furnish the committee, from the records in your office, copies of the letters of instruction which you have received, from time to time, from the Secretary of the Navy, in relation to the purchase of vessels between the 21st of April and the 18th of May, and also of letters addressed by you to the department, between the 13th and 19th of May, in relation to the purchase of the two coal vessels at New Bedford?

Answer. Yes, sir.

Examination by Mr. Steele.

Question. While you were acting for the government in purchasing and chartering vessels, you say you chartered some six or seven vessels. Do you recollect the names of those vessels, the prices at which they were chartered, and the prices at which the government had the privilege of buying them?

Answer. Yes, sir. The following is a statement of the names of the vessels chartered, the prices at which they were chartered, and the prices at which the government had the privilege of purchasing them:

Names.	Terms of charter.	Purchase price.
Monticello.....	\$8,000	\$80,000
Mount Vernon.....	8,000	110,000
Huntsville.....	10,000	110,000
Montgomery.....	10,000	-----
R. R. Cuyler.....	12,500	175,000
Daylight.....	8,000	65,000
The Dawn.....	7,000	45,000

Question. Which of these vessels chartered by the government have since been purchased by the government at the prices designated?

Answer. I understand that the Montgomery, the R. R. Cuyler, and the Huntsville have been purchased.

Question. By whom, and through whom?

Answer. By the Navy Department; but I do not know through whom. The terms of the charter had nearly expired, and the government preferred, rather than charter them for three months longer at a pretty round figure, to purchase them outright; but whether they gave the amounts designated I do not know.

Question. Were the parties chartering these vessels to the government to pay all the expenses of running the vessels?

Answer. None of them. The supplies, captains, sailors, crews, coal, oil, and everything were furnished by the government; nothing but the naked vessels were furnished by the parties.

Question. Of whom were those vessels chartered?

Answer. The Monticello, Mount Vernon, Huntsville, Montgomery, and R. R. Cuyler, were chartered by H. B. Cromwell, & Co.; Dawn and Daylight were owned by Barstow & Pope.

Question. In getting these vessels, who designated to you that those vessels could be chartered?

Answer. Captain Comstock.

Question. And it was from information received from Captain Comstock that you chartered the vessels?

Answer. Yes, sir; corroborated by the opinions of others as to size, quality, &c.; and, furthermore, I visited the vessels myself.

Question. In fixing the price at which the vessels were to be chartered, who furnished you the information necessary to enable you to make up your mind as to the amount you would pay?

Answer. I must confess that I placed more reliance upon the opinion and judgment of Mr. Comstock than of any one else.

Question. Can you recollect who designated Captain Comstock to you as a proper person to apply to.

Answer. He was recommended by the defence committee, and, besides that, I was influenced by his general reputation; and, furthermore, I had the direction of the Navy Department to consult with persons capable of giving advice.

Question. Was the department aware that Captain Comstock was acting in concert with you?

Answer. Yes, sir; I think so, but am not sure.

Question. After you informed the government of all the circumstances under which the coal vessels were purchased, did the government require any evidence that those vessels had been purchased by Mr. Aspinwall?

Answer. The government required evidence in the shape of affidavits that they had been honestly bought.

Question. Was that evidence furnished you through Mr. Aspinwall?

Answer. It was.

Question. Did you furnish those affidavits to the government?

Answer. I did.

Question. And did the government pay Aspinwall for the vessels at the rates stated in those affidavits?

Answer. I do not know whether the bills have been approved. I have no absolute information from the department upon the subject.

Question. Can you furnish the committee with a copy of the affidavits which were furnished by Aspinwall and which you forwarded to the government?

Answer. Yes, sir.

Question. In all these charter parties did the government become the insurers of the vessels?

Answer. The government were to be responsible for all losses, whether from the enemy, by fire, or otherwise.

SAM'L L. BREESE.

The letters and affidavits referred to in the above testimony were subsequently furnished by the witness, and will be found in Appendix "A."

NEW YORK, *September 5, 1861.*

GEORGE D. MORGAN, being duly sworn, was examined, as follows:

Examination by Mr. Holman.

Question. State your residence and the business in which you were engaged prior to the 21st of April last.

Answer. My business residence is in this city; my dwelling in Westchester county; and previous to the time you have mentioned I was engaged in the importation of goods from Cuba, the East Indies, and South America, such as sugar, tea, and coffee, principally.

Question. In connexion with your business of importing, have you been engaged to any considerable extent in the purchase of vessels for mercantile purposes?

Answer. Yes, sir; our firm has both owned and chartered vessels. We owned some vessels in the East India trade, and chartered quite a number running to Rio.

Question. Were you engaged in the business to which you have referred, alone, or in connexion with other parties?

Answer. In connexion with the firm of E. D. Morgan & Co

Question. Who are the members of that firm?

Answer. Edwin D. Morgan, Solon Humphries, John T. Terry, and myself.

Question. Up to what day did you remain a member of that firm?

Answer. Up to the first of July.

Question. When did you first become connected with the purchasing and chartering of vessels for the government of the United States?

Answer. The first vessel I chartered for the government was the Quaker City.

Question. I do not inquire so much with a view to ascertain the

first vessel you chartered, as to know the time when you first became connected with that department of business?

Answer. About the middle of May last I received a letter from the Secretary of the Navy, dated the 23d of April, informing me that I had been appointed, with a number of other gentlemen in this city, to consult with Commodore Breese in relation to chartering and purchasing vessels for the government. I received it some weeks after it was sent to me, but I did not go over to the navy yard, thinking Commodore Breese would send for me if he wanted me. I received the letter some weeks after it was sent to me.

Question. About what time in the month of April did you receive the first note upon this subject, and from whom?

Answer. It was from the Secretary of the Navy, and I should say it was received about the last of April. I cannot tell exactly.

Question. What was the character of the duties expected of you under that appointment, if you can call it an appointment?

Answer. It was not an appointment. The letter was written to Commodore Breeze, and a week after I received a letter from the Navy Department speaking of the resumption of travel through Baltimore, and referring to the fact that Commodore Breese had been requested to charter and purchase some vessels, and that the Secretary had named a number of gentlemen, and among others myself.

Question. Who were the other gentlemen named?

Answer. General Dix, Governor Morgan, and another.

Question. Could that letter have been dated later than the 23d of April?

Answer. I think not.

Question. Are you at all certain that the name of General Dix was mentioned?

Answer. Yes, sir; I think my letter speaks of him. I never saw the original letter to Commodore Breese.

Question. Are not these the words of your communication: "Consulting in these matters and this emergency with Governor E. D. Morgan, or, in his absence, with Mr. E. D. Morgan, and with Messrs. William Everts, R. M. Blatchford, and M. H. Grinnell?"

Answer. I think not. I think General Dix's name was mentioned as one, and Mr. Opdike as another.

Question. Did either of those gentlemen or General Dix take any part in the purchase or chartering of vessels?

Answer. I suppose not. I was never notified, and I suppose they were not.

Question. How did you become aware that such a letter had been addressed to Commodore Breese?

Answer. When I received the letter of the Secretary of the Navy, I wrote back that I had not heard of the request he had made in his letter to Commodore Breese; that I had not seen him, and that I did not know him at all.

Question. About what time did you first call upon the commodore?

Answer. I shall not be able to be particular as to dates, but I should say it was not much earlier than the middle of May when Mr. Aspin-

wall sent a note to my house asking if I would go over next morning and see Commodore Breese, who wished to see me.

Question. What duties did you understand were expected of you under that first letter of instructions to Commodore Breese?

Answer. Duties merely advisory.

Question. Up to this 21st of April, what department in the city of New York had performed the duty of chartering and purchasing vessels for the government, and furnishing their naval stores?

Answer. That has been generally done by the chief of the Bureau of Construction, in Washington.

Question. Has there not necessarily some officer in the city of New York, who would be connected with that department of the business, and who would be much more familiar with it than any officer in the city of Washington could be?

Answer. Vessels have never before been purchased here by the government, except in special cases, and in those cases the department at Washington has sent some one here from that point to make the purchase.

Question. The chartering of vessels by the government is not an uncommon thing?

Answer. I suppose the navy agent does that in certain cases, but I believe no navy agent has made purchases of vessels for the government.

Question. Was Commodore Breese, the commander of the navy yard, a proper person, not only on account of the character of his business, but on account of his own personal qualifications, to be confided in by the government for such purposes as buying and chartering vessels?

Answer. Commodore Breese, having fitted out vessels for sea, knowing what was requisite, and having the confidence of the government and the navy agent at that time, Mr. Saunders not having the confidence of the government, he seemed to be more fit for that purpose than any other person then here in the employ of the government.

Question. In the purchasing and chartering of vessels, was Commodore Breese to be controlled in the particular vessels to be selected, and in the price to be paid, by the opinion of yourself and that of the other gentlemen associated with you?

Answer. I suppose not. The power was given to him, as I understood it. I never saw the authority.

Question. About the middle of May, you for the first time called upon Commodore Breese, in company with Mr. Aspinwall?

Answer. I did not go with Mr. Aspinwall. He met me there.

Question. What was the purpose of that visit to the commodore, and what business was transacted in connexion with him at that time?

Answer. No business was transacted. Our conversation related principally to what he had done.

Question. Was the purchase or chartering of any vessel then to be effected, the subject of conversation?

Answer. No, sir; the conversation was general, so far as I know.

Question. Was that before or after the 13th of May?

Answer. I cannot tell.

Question. When did you receive other instructions from the Secretary of the Navy, independent to those instructions to Commodore Breese, connecting you with the purchase and chartering of vessels, and what was the character of those instructions?

Answer. I think it was a telegraphic communication asking me upon what terms the Quaker City could be chartered, her charter expiring on the 25th of May.

Question. About what time was that communication addressed to you?

Answer. Not far from the 20th of May.

Question. Was it addressed to you on the 13th of May?

Answer. No, sir; I may have received letters making inquiries about other matters before that time.

Question. Did you recharter that vessel?

Answer. Yes, sir.

Question. Upon what terms had she been previously chartered?

Answer. For \$1,000 a day, by the Union Defence Committee.

Question. For what period of time did you charter her?

Answer. For three months.

Question. That was under special instructions?

Answer. Yes, sir.

Question. Which did not confer upon you the power at large to purchase vessels?

Answer. It did not.

Question. By whom was that vessel owned?

Answer. Hargous Brothers had the management of her, and I believe they were the owners.

Question. At that time had you any connexion with Mr. Aspinwall?

Answer. No, sir.

Question. Was he one of the gentlemen mentioned in the letter to which you have referred?

Answer. No, sir; I think not.

Question. How did you understand from him that it became important that Commodore Breese should confer with him and yourself?

Answer. I had no such understanding.

Question. You did not then understand that Commodore Breese proposed to confer with him as a person in the confidence of the government, but only as a citizen of New York acquainted with the business of shipping?

Answer. That is all.

Question. Were you aware that Commodore Breese had been requested by the Navy Department to act to some extent in concert with Mr. Aspinwall in the purchase and chartering of vessels?

Answer. I was not aware of it. I never received a communication from either the government or Commodore Breese to that effect as I now remember.

Question. If the government had reposed any special confidence in him in this matter you are not advised of the fact?

Answer. I am not. I probably was informed to the contrary. I have always understood that Aspinwall was an old friend of 30 years

standing with Commodore Breese, and when these troubles broke out Mr. Aspinwall tendered his services to Commodore Breese, and they were accepted.

Question. With or without the knowledge of the Secretary of the Navy?

Answer. Without his knowledge, so far as I know.

Question. And with or without his consent?

Answer. Without his consent, though probably with his approval, so far as I know.

Question. Then in this conversation you have spoken of, between yourself and Commodore Breese, Mr. Aspinwall was not there in any official capacity, but simply as a friend, and it may be a friendly adviser of Commodore Breese?

Answer. In no other capacity, neither was I.

Question. What were the subjects that Commodore Breese submitted to you gentlemen? The propriety of purchasing any particular vessel, or the price of any particular vessel, or something of that kind?

Answer. The conversation was about the past, about what they had done and perhaps what they had to do. It was entirely general and unofficial. The commodore was hurrying his vessels off, and I went over very frequently afterwards, and pretty much all our conversation was in relation to his own matters, and more especially in regard to men.

Question. Did Governor Morgan himself ever act in concert with the commodore in the matter of purchasing or chartering vessels or furnishing supplies?

Answer. No, sir.

Question. Did Mr. Everts?

Answer. No, sir.

Question. R. M. Blachford?

Answer. No, sir.

Question. Moses H. Grinnell?

Answer. No, sir. Not any of them to my knowledge.

Question. Had either of those gentlemen any connexion with the purchase or chartering of any vessel for the government?

Answer. I believe Mr. Grinnell had some connexion with the chartering of the Quaker City, in the first instance, and acting for the government in and through the Defence Committee.

Question. Was the Defence Committee recognized as the agent of the government?

Answer. Yes, sir; in purchasing and forwarding supplies and arms.

Question. And Moses H. Grinnell was acting as their agent?

Answer. I know he acted as agent in chartering a vessel.

Question. Had he, or any other one of the gentlemen whose names I have mentioned, any connexion with the Quaker City by way of ownership?

Answer. I do not think they had.

Question. If, then, the Navy Department has certified to the fact that George D. Morgan and William H. Aspinwall were substituted to act in concert with Commodore Breese in the navy yard, in the

places of Governor Morgan, and Messrs. Everts, Blachford, and Grinnell, that is a fact now for the first time brought to your knowledge?

Answer. I now recollect that Mr. A. was so substituted after I had been over to see Commodore Breese two or three times about the matter of the charter of vessels which had been effected, and with which I had no connexion, they having been chartered by Breese, was talked over, and, as the charters were not altogether satisfactory, the Navy Department referred the matter to Aspinwall and myself, with Commodore Breese, I think, to see whether anything could be done. We reported back to the department that the charters having been honestly made we could not alter them.

Question. At what time was this subject referred to yourself, Aspinwall, and Commodore Breese?

Answer. About a month after the charters were made.

(These questions and answers refer to the Cromwell charters made by Commodore Breese, and not to the purchase of the coal vessels.)

Question. When would that be?

Answer. I should say the 20th of May.

Question. So far, then, as you know, up to that time Aspinwall had no authority from the Navy Department to act at all in connexion with Commodore Breese?

Answer. I heard that Aspinwall had offered his services to the government gratuitously; that he had made some purchases on his own responsibility, which the government afterwards accepted. So far as I know, to answer your question, Aspinwall had no authority to act for the government at the time he so acted, except as I have stated, and the department, I believe, accepted his offer.

Question. State when you were yourself specially commissioned by the Secretary of the Navy to take charge of the purchase and chartering of vessels for the government in this city, and what was the character of that commission.

Answer. I never was so specially commissioned, but always received from them directions what kind of vessels to purchase and how to purchase, and always with the supervision and approval of some naval officer or the department direct.

Question. Under what circumstances did you understand that the purchase of those coal vessels was made?

Answer. The purchase was made by Aspinwall, who employed a broker, and he went to New Bedford and purchased them at the price at which they were purchased—from \$7,000 to \$7,500 each.

Question. And paid for by the government?

Answer. No, sir; paid for by Aspinwall.

Question. Are you informed whether the government ever repaid Aspinwall for them?

Answer. I am not. There was some delay about it, I understood.

Question. Did you examine the vessels yourself?

Answer. No, sir.

Question. But the subject was referred to yourself and Commodore Breese. What was your recommendation to the Navy Department?

Answer. The vessels were bought when I was absent, or supposed to be absent from the city. Commodore Breese consulted with Aspin-

wall and made the purchase. I took no action on the matter, because Commodore Breese had made the purchase, and I had nothing to say and had no complaint to make, believing Mr. Aspinwall acted right in the matter.

Question. You did not regard the purchase as favorable to the government?

Answer. I did not see the vessels, and knew nothing about them.

Question. What was referred to you then?

Answer. We were ordered to purchase two coal vessels, and while the matter was under consultation I learned that the purchase had already been made by Mr. Aspinwall at New Bedford. There was no other reference than that purchase and the settlement of the bill.

Question. Who made the settlement?

Answer. I suppose it was made with the party who made the purchase, Mr. Aspinwall, by the Navy Department.

Question. And you do not know anything about the circumstances connected with that purchase?

Answer. No, sir.

Question. Nor of the person from whom it was made?

Answer. No, sir.

Question. Nor whether the government afterwards paid Aspinwall?

Answer. No, sir.

Question. Were not the circumstances under which those vessels were purchased referred to you to see whether the government was not suffering from the character of the contract?

Answer. No, sir.

Question. The government knew that they were swindled?

Answer. I do not know that it is so. There were rumors that the vessels were not bought at the prices at which they were charged to the government, and there was some delay about the settlement.

Question. Did not Commodore Breese complain about it?

Answer. He complained, and I told him what I had heard.

Question. He was aware of the fact that he was to purchase those coal vessels subject to your approval?

Answer. Yes, sir.

Question. And you actually purchased a third one?

Answer. No, sir; I acted as agent intermediately, but the conclusion of the bargain was made by the Navy Department.

Question. The order to Commodore Breese and yourself was to purchase three vessels for coal, and suggesting whaling ships?

Answer. Yes, sir.

Question. During your absence, or supposed absence, from the city, two of those vessels were purchased and paid for by Aspinwall, and you heard that those vessels were bought for one price and turned in to the government at another; that the vessels were paid for by bills drawn by the agent of Aspinwall upon Aspinwall's house; and also that Commodore Breese complained of the manner in which this thing was done. Now explain how it occurred that you did not investigate the circumstances under which the purchase was made.

Answer. I had no right to investigate the circumstances. Aspinwall was at the navy yard nearly every day, while I was there only

once or twice a week. Aspinwall was more familiar with the navy yard and with Commodore Breese's matters than I was. He was with him most of the time, rendering him such aid as he desired. When this letter, addressed to Commodore Breese, authorizing the purchase of these three coal vessels, was received, Commodore Breese handed it to me. Aspinwall sat in a chair next to me, and took it out of my hands and read it. I felt a little delicate about the matter, as I afterwards expressed myself to Commodore Breese, that Aspinwall, whose name was not in the letter, should read it, as he might feel that his name ought to have appeared there, as he had done so much for the navy. At that moment Aspinwall said to Breese that he could find such vessels. He afterwards bought them. Whether I was out of town or not when they were bought I do not know. I supposed that Aspinwall received an order from Breese to buy them, and Commodore Breese supposed it was with my approval; but I never disapproved of the purchase so far as I am concerned. The investigation I had no right to make. There were certain persons who afterwards addressed letters to me upon the subject, and I forwarded them to the Secretary of the Navy.

Question. By whom were they written?

Answer. That is a confidential matter.

Question. How many letters touching this transaction did you receive?

Answer. I think I received two from the same party—a person familiar with shipping business, and residing in that section of the country. They were entirely confined to the subject of the price paid.

Question. How long after the purchase of those two vessels, did you receive those communications?

Answer. Perhaps a month.

Question. The fact that you did not approve the purchase of those vessels, and the fact that Commodore Breese complained of the manner in which they were purchased, you presumed, I suppose, were known to the Navy Department in Washington?

Answer. I think Commodore Breese did not complain of the purchase of those vessels, and was not aware of the circumstances under which they were purchased, until those two communications were forwarded. He sent for me and desired to know if I approved of the purchase. I then told him that there was some information which was not favorable to right action in the matter.

Question. How long after the purchase of the coal vessels was it that the authority of Commodore Breese to act in reference to the purchase and charter of vessels was superseded?

Answer. So far as I know he continued to act in those matters up to, probably, the middle of June, although he had frequently said, and had notified the department, that he was unable to attend to it, and could not attend to it, especially after the keels of new vessels were laid. I did not consider that Commodore Breese was superseded at all.

Question. Do you not know that on the 18th of May Commodore Breese was instructed to make no further purchases of vessels for the government?

Answer. No, sir.

Question. Did he and you make any further purchases after the 18th of May?

Answer. I do not know. I never purchased any with him.

Question. Have any purchases of vessels for the government been made in and about this city since the 18th of May, except by yourself?

Answer. Early in June Commodore Paulding came on here and examined some steam vessels to be used as supply ships and for coast guard, which I negotiated the purchase of.

Question. Have there been any purchases at all made by the government since the 18th of May, which were not made through you, or any vessels chartered which you did not charter?

Answer. Not that I know of.

Question. You have not known Commodore Breese to be in anywise connected with the purchase or chartering of vessels since the 18th of May?

Answer. I cannot say as to the exact time when his connexion therewith entirely ceased.

Question. Do you know of any communication from the Navy Department, touching the purchase of vessels, having been addressed to any other person than yourself since the 18th of May?

Answer. No, sir; not since about that time.

Question. Since the purchase of the two coal vessels, have you known of Commodore Breese having any connexion whatever with the purchasing or chartering of vessels for the government?

Answer. I do not know that I have.

Question. You, then, being the only agent of the government in that department in this city, if the government had taken any steps to ferret out the fraud which was alleged to have been made in the purchase of the two coal boats, you would have known it?

Answer. They did take steps through Commodore Breese.

Question. What steps?

Answer. They informed him, so he informed me, that they could not pay the bills, as they understood they were not all right.

Question. Did you understand that Breese took any steps towards ferreting out the transaction, or that he was instructed to do so?

Answer. He brought the matter to the notice of Mr. Aspinwall.

Question. But took no steps himself?

Answer. That was the only step he did take.

Question. You took no steps yourself?

Answer. None, further than I have already stated?

Question. And you do not know that any steps were taken to ferret out the facts?

Answer. I only know of the matter being mentioned to Breese by the department.

Question. Have you understood from Aspinwall that the money has been repaid to him?

Answer. No, sir.

Question. Do you not know that subsequently the government did accept these two vessels, and that Commodore Breese was ordered to load them with coal?

Answer. The vessels were in bad order and needed some repairs, and that Commodore Breese had done before communicating with the Navy Department, as I understand. When he sent in his report of the expenses, &c., that led to some complaint, and Commodore Breese thought Aspinwall ought to pay the expenses which the government had been to

Question. What did you understand to be the difference between the prices paid for the vessels at New Bedford and the prices charged here to the government?

Answer. I understood there was about 70 per cent. difference. I think the purchase money was \$4,000 and \$4,500, and that the government paid about \$7,000 and \$7,500.

Question. Was there any commission on that?

Answer. No, sir; the seller pays the commission usually.

Question. You handed me a letter dated July 16, 1861, from the Secretary of the Navy, as a general authority to you to purchase vessels in New York city? State whether that is the first general authority you received from the department at Washington authorizing you to purchase and charter vessels.

Answer. That contains the first general authority. The other authority was given to me through Commodore Paulding, who came here to purchase supply ships.

Question. If no other person was authorized to purchase vessels in this city from the 18th of May, did not your general authority extend from that time?

Answer. I had no general authority then?

Question. Is there any other person in the city of New York, or elsewhere, by whom your action in relation to determining the character or quality of the vessels purchased by you, or in fixing the prices to be paid, is revised?

Answer. The naval constructor, Mr. Pook, has everything to say about the selection of the vessels, as has also the ordnance officer.

Question. If you were not acting under general authority, what vessels did you actually purchase or charter between the 18th of May—when you first began to act in this matter, and which was immediately after the purchase of the coal vessels—and the 15th day of July?

Answer. The only vessel I ever chartered was the Quaker City.

Question. Upon what terms?

Answer. \$600 a day. She had previously been chartered for \$1,000.

Question. Was the vessel to be furnished and run by the party chartering her to the government?

Answer. By the party chartering her to the government.

Question. Who insured her?

Answer. There was no insurance.

Question. Was the government liable for the loss of the vessel?

Answer. I suppose the government was liable for loss by casualties.

Question. Was that expressly stipulated for, or was it an implied obligation?

Answer. Implied, I think.

Question. How large a vessel was she?

Answer. 1,600 tons.

Question. What was her value?

Answer. When Mr. Grinnell first chartered her for the defence committee she was valued at \$140,000; but when she was chartered by me she was put in at \$135,000.

Question. Did the government become the insurer against fire?

Answer. It did not, so far as I know. I rechartered the vessel two or three days before her first charter expired, reduced the price \$400 a day, and agreed that the sea risks should be assumed by the government.

Question. For what length of time did you charter her?

Answer. For three months.

Question. What was the length of her first charter?

Answer. I do not know.

Question. When did you charter her?

Answer. The 23d of May; so that her previous charter could not have exceeded one month.

Question. The only object of affixing the price at the charter was, I suppose, to determine the liability of the government in case of loss.

Answer. I suppose so. I reduced the price as much as I could, but only succeeded to the amount of \$5,000.

Question. If this is the only vessel you chartered between the 18th of May and the 15th of July, please state, in their order, the vessels you purchased.

Answer. I purchased, in connexion with Commodore Paulding, and with the approval of the engineer of the navy yard and of the naval constructor, the steamships *Connecticut* and *Rhode Island*, and the ships *Pampero*, *J. C. Kuhn*, and *National Guard*.

Question. State, in the same order, from whom you made the several purchases, and the prices paid.

Answer. The steamship *Connecticut* was purchased of S. L. Mitchell & Sons, for \$200,000, payable in six per cent. treasury notes. The steamship *Rhode Island* was purchased of Spofford, Tileston & Co., for \$185,000, in six per cent. treasury notes. The ship *Pampero* was purchased of J. Bishop & Co., for \$29,000, in six per cent. treasury notes. The bark *J. C. Kuhn* was purchased of J. B. Brower & Co., for \$32,000, in six per cent. treasury notes. The *National Guard* was purchased of J. B. Brower & Co., for \$36,000, in six per cent. treasury notes. These vessels were all examined by Commodore Paulding, or by the other gentlemen I have named.

Question. Were those vessels all purchased, and are they the only vessels purchased by you prior to the 15th of July?

Answer. Yes, sir.

Question. Were they all purchased of the original owners?

Answer. They were.

Question. What knowledge have you of any of those vessels being transferred recently, before you purchased them for the use of the government?

Answer. I know that not one of them was so transferred.

Question. Had any of these vessels changed hands between the 21st of April and the time when you made the purchase?

Answer. No, sir ; I purchased them directly of the parties who owned and built the vessels.

Question. Who determined the price at which those vessels should be purchased ?

Answer. That matter was referred to the Navy Department at Washington.

Question. Before the bargains were closed ?

Answer. Yes, sir ; we were authorized by the Secretary of the Navy to make the purchases after the prices were named. A refusal of six days was obtained for one of the vessels, the others were arranged by telegraph.

Question. Who determined upon the price which was submitted to the government ?

Answer. I did, in negotiation with the owners directly.

Question. And agreed upon the price ?

Answer. I obtained their lowest terms.

Question. Then you communicated the fact to the department, and the department approved or disapproved the contract ?

Answer. No, sir ; I did not make any contract. I obtained the lowest terms, and got a refusal of the vessels.

Question. Were any of the vessels refused by the government ?

Answer. No, sir ; but previous to that there was one vessel which was refused, upon examination.

Question. And the prices fixed by yourself were the prices paid for the vessels in each case ?

Answer. Yes, sir.

Question. State what vessels you purchased subsequent to the 15th of July, the persons from whom purchased, and the prices paid.

Answer. I cannot tell the exact number.

Question. Did you charter any after the 15th of July ?

Answer. None but the *Quaker City*.

Question. What vessels did you purchase subsequent to the 15th of July, from whom, and the prices paid ?

Answer. I have a statement from which it appears that I purchased certain vessels. I will furnish that statement to the committee.

Question. From whom did you purchase the *Stars and Stripes* ?

Answer. From the New Haven Company.

Question. Where was she built, and where purchased ?

Answer. I think she was built at Mystic, Connecticut, and she was purchased in New York.

Question. Did you purchase her directly from the builders ?

Answer. I purchased her directly from the owners.

Question. Was she built for her then owners ?

Answer. Yes, sir.

Question. What would the building of such a vessel cost ?

Answer. They reported her as having cost more than she brought. She was a new vessel and considered cheap. The government paid \$55,000.

Question. You think she could not have been constructed for a less amount of money than that ?

Answer. She was a desirable vessel for the navy, so represented by

Commodore Gregory, Commodore Stringham, and Mr. Pook, and my judgment was that she was worth the money.

Question. Who first applied to you for the sale of that vessel?

Answer. I think Mr. Bushnell, one of the directors of the company.

Question. Do you remember whether he was the first person who informed you that the vessel was for sale?

Answer. I have that impression.

Question. Was the sale negotiated between you and himself?

Answer. It was.

Question. Was any person, other than the company for which she was built, interested in her sale, or the proceeds of her sale?

Answer. Not that I know of.

Question. What other person besides Bushnell did you converse with, or have correspondence with in relation to the purchase of this vessel?

Answer. No one except the treasurer of the company, in closing the negotiation.

Question. Did any Connecticut politicians, gentlemen who have heretofore figured in politics, approach you either directly or by correspondence in reference to the purchase of that vessel?

Answer. No, sir; never.

Question. Have you been informed, or do you know, of your own knowledge, that any other persons than the company for which she built were interested in the proceeds of her sale, or in the commissions upon her sale?

Answer. I do not.

Question. What would the aggregate sum be which was paid for the vessels you purchased for the government since the 18th of May?

Answer. It would be impossible to state from recollection.

Question. State whether in fixing prices, except so far as the approval of the Navy Department at Washington was concerned, you were subject to the control of Constructor Pook, or of the engineer of the Brooklyn navy yard, or of Commodore Paulding, or of any other person?

Answer. I generally consulted the naval constructor as to the prices.

Question. Were the prices paid by you for those vessels as low as they could have been purchased by other parties in this market for cash?

Answer. I believe so.

Question. Did any instance occur in the purchase of those vessels where other parties than the sellers themselves negotiated directly or indirectly with you for the sale?

Answer. I think not.

Question. Do you know any other person than the persons who sold the vessels to you, who received any portion of the profits, any commissions, or any portion of the proceeds, or who was otherwise interested in the purchase by you of any of these vessels?

Answer. I stated to the owners, in every instance where I made a purchase, that I must buy directly of the owners, and not of brokers or agents, and especially where the owners resided in this city, and I

stated to every owner that there were to be no outside persons allowed to receive any commissions or any charges whatever ; that I was acting as the government broker ; that in doing this business I was the broker in the mercantile sense for the government of the United States, and that whatever the usual brokerage was, from $2\frac{1}{2}$ per cent. down to one per cent., they would pay to me and to no other outside person or party, and that they should pledge me that they would not pay any. Though I have had brokers come to me, I never purchased of any broker or outside party.

Question. What vessels, if any, have been purchased by you where the Secretary of the Navy, or any other officer of the Navy Department, suggested the particular vessel to be purchased?

Answer. Not any, except those that I corresponded with them about, and except where Mr. Fox, the Assistant Secretary of the Navy, had himself been on and examined the vessels, and afterwards wrote to me to purchase certain vessels which he had examined.

Question. Has the price which was fixed upon by you for any one of this entire lot of vessels been the price uniformly paid by the government?

Answer. I have not fixed any prices.

Question. Have the prices which you agreed on, subject to the approval of the department, and which you reported directly to the department, been the prices uniformly paid by the government?

Answer. The prices which I reported to the department have been approved by the government in all instances.

Question. By whom has the price, subject to the approval or disapproval of the department, been uniformly fixed?

Answer. By the buyer and seller. Soon after, the business became so engrossing that the department appointed a special commission, composed of an ordnance officer, J. H. Bell, and a chief engineer, J. B. Kimball, to act in connexion with the naval constructor, Mr. Pook.

Question. Had the two gentlemen first named been previously residents of this city?

Answer. They have been connected with the navy, and occasionally resided in this city.

Question. Where did they reside previous to their appointment to this position.

Answer. They were in the Navy Department.

Question. When were these appointments made ?

Answer. Within a week after this 15th of July.

Question. After this naval board was established, were the prices you paid subject to their approval?

Answer. No, sir ; but the Navy Department had the revision.

Question. They had no power to control the prices as fixed?

Answer. No, sir ; but the Navy Department had.

Question. The only person, then, who fixed the prices of these vessels, subject to the approval of the department, was yourself.

Answer. Yes, sir, after consultation with Mr. Pook, but the negotiation as to the price was left to me.

Question. And you state that neither the naval board nor the de-

partment at Washington ever disapproved of the prices fixed for these vessels?

Answer. I do.

Question. What commissions were paid by the government for vessels purchased by Commodore Breese prior to the 18th of May.

Answer. The government never paid any commissions for the purchase of any vessels.

Question. Were commissions paid by any person upon the purchase of vessels prior to that time?

Answer. The brokerage, I suppose, was paid by the parties selling.

Question. Did Commodore Breese buy of brokers?

Answer. I do not know. The purchases I made were purchased directly by myself, acting as broker.

Question. Prior to the 18th of May, what compensation were you receiving from the government for services you rendered?

Answer. I have never received any compensation from the government.

Question. What compensation were you receiving from other persons?

Answer. Not any.

Question. What compensation have you received from the government for services rendered since the 18th of May?

Answer. None whatever.

Question. What has been the compensation you have received from any source in connexion with the purchase and chartering of vessels since the 18th of May?

Answer. The customary regulation of the mercantile community is, that all vessels in this city are sold through brokers, as well as nearly all merchandise. The seller always pays the brokerage. As merchants, we rarely sell a vessel without paying the brokerage. The Chamber of Commerce has settled the brokerage at $2\frac{1}{2}$ per cent. In close cases it is reduced to one per cent. In one or two of my cases it has been waived altogether.

Question. What do you mean by that?

Answer. I mean to say that in some cases of the purchase of vessels by me, where the owner has asked what I thought to be a large price, and where the negotiation was a close one, I have, for the purpose of buying the vessel cheap, given up my commissions to him.

Question. What has been the amount of your commissions upon vessels purchased by the government?

Answer. I cannot state it now. I can render you a statement.

Question. You say the commission is paid by the seller?

Answer. Yes, sir. The Chamber of Commerce has settled that the seller of merchandise, of ships, of stocks, shall pay the brokerage.

Question. State the principle upon which this has been regulated in the purchase of vessels by yourself?

Answer. In every instance I have stated to the owner that the government wished to purchase his ship at the very lowest price they can purchase her for for gold or treasury notes; that there were to be no outside parties, and no commissions allowed to any one else; that placed the purchase of these vessels upon the usual mercantile footing; that has been the case except in the case of close operations.

Question. State the instance in which no brokerage was paid by the seller.

Answer. I cannot now, but I can give it hereafter upon paper.

Question. Do you remember in how many instances you declined to receive brokerage?

Answer. Two or three; and in three or four other cases there was a reduced commission.

Question. What is the lowest commission you have charged?

Answer. One per cent.

Question. And upon what amount?

Answer. I will give you the figures when I give you the other statement.

Question. Did your rule vary, and did you sometimes buy for larger commissions than at other times?

Answer. No, sir; but some persons are harder to buy of than others.

Question. Did the commissions vary in the purchase of different vessels at the same price?

Answer. The usual ship commission is two and a half per cent., which is always paid by the seller. In the case of certain vessels which I was instructed to purchase, the price asked for which I considered to be very dear, I have been able to get off a very considerable deduction by agreeing myself to make up a part of it.

Question. That is, you saved the government the amount of your commissions.

Answer. Yes, sir; and more than that.

Question. Then, in fact, the government pays the commissions.

Answer. It is not in fact so, and it is not usually considered so, from the fact that it has become the universal custom for the sellers of vessels to pay commissions.

Question. You have stated that the lowest commission is one per cent., and the highest two and a half; to what sum would the one per cent. apply?

Answer. I cannot say, but I will furnish you the items. The usual commission in all cases is two and a half per cent., as established by the Chamber of Commerce, but deductions are sometimes made in private transactions, as they were in my case.

Question. I suppose the seller puts the two and a half per cent. upon his price?

Answer. Well, it is like a man going to law—he does not count the cost before he commences his case.

Question. In point of fact, who have paid these commissions to you, the government or the sellers?

Answer. The sellers.

Question. The government never paid you a commission?

Answer. No, sir. It is the universal custom for the seller to pay. He acts in the matter as he does in reference to money kept on hand in a bank; he does not consider that every day he keeps \$5,000 there he loses his interest. And so sellers do not take the brokerage into the account; that is charged to profit and loss.

Question. I believe you stated that you bought no one of these vessels from a broker?

Answer. I so stated. Brokers have come to me, but I have told them I could have nothing to do with them; that I must buy vessels directly from the owners. In one or two cases brokers have taken offence after taking some trouble, and in those cases I have said they could have one-half of my commissions. But I have said to the owners they could not pay more than $2\frac{1}{2}$ per cent. I myself have divided commissions in some cases where brokers felt themselves aggrieved, or have felt that this was none of my business, and that the government ought to pay two commissions. There is now a lawsuit pending growing out of one of these transactions.

Question. What cases do you think of in which you have divided the commissions?

Answer. One was in reference to the bark *Pursuit*, and the other was in the case of the steam-tugs *Mercury* and *Owen Pettit*.

Question. At what price, in the aggregate, were those vessels sold?

Answer. The two tugs were sold for \$35,000 and the bark for \$22,000. I divided the commissions because the broker complained that he had not been informed of the terms of the sale, and that if things were conducted as they had heretofore been he would have had commissions. It is not unusual for merchants to pay two or three brokerages upon the sale of a single vessel.

Question. What connexion did Captain Comstock have with the purchase of vessels for the government?

Answer. I do not know that he had any, further than that Commodore Breese invited him to assist him.

Question. What commission was he to receive for his services?

Answer. I do not know.

Question. Do you know of any case where any broker or any third party has received as commissions or otherwise any part of the proceeds of any one of these vessels?

Answer. I distinctly stated not only that I did not know any such case, but that I have bought every vessel directly of the owners when they resided in this city, and of their accredited agent when they did not reside in the city, and that in every case I stated to them that there would be no third party allowed to receive any commissions or any consideration of any kind or nature whatever; that I was requested so to state by the Navy Department, and that, acting for the government, I must receive that pledge from them. That statement I made to them in all cases before I commenced negotiating for the purchase.

Question. What politicians have you either known or heard of as being connected, either directly or indirectly, with the sale of any one of these vessels to the government?

Answer. I have not known or heard of any public politician—I suppose that is what you mean, for we are all politicians in some sense—who have been so connected with any of these sales. The only person of that kind who has been to see me in reference to any negotiation I have made was a gentleman from Connecticut, who offered to me, for his friend, two or three vessels. But neither of those vessels have I bought. I bought one propeller in which he felt an interest for his friend, but in which he had no personal interest.

And I stated to him the same terms which I have said I stated to all owners.

Question. What is the name of that vessel, and at what price did you purchase?

Answer. The *Valley City*, at \$18,000 in six per cent. treasury notes.

Question. What is the name of the politician who negotiated for her sale?

Answer. He did not negotiate for her. He came with his friend to see me.

Question. What is his name?

Answer. John Woodruff.

Question. What connexion did you have with the Union Defence Committee of this city?

Answer. None whatever.

Question. What, on an average, has been the expense of altering and fitting up of the vessels which have been purchased by you for the government, so as to adapt them to the purposes for which they were designed?

Answer. I cannot say. The expense varied very much. My letter of authority to purchase gave also to the naval constructor, Pook, authority to select the vessels, to make contracts for fitting up the same, and to make all purchases, and to enter into all engagements which were necessary to equip the vessels. I have had no connexion whatever with any party, directly or indirectly, in any of those purchases, or in the fitting out of any of those vessels.

Question. What connexion has Mr. Alexander Cummings had in the purchase of any one of those vessels?

Answer. None whatever.

Question. Or Moses H. Grinnell?

Answer. None whatever.

Question. What connexion has either of those gentlemen, or any other gentleman named in your testimony, had with the contracts for altering and fitting up of the vessels purchased for the use of the government?

Answer. None whatever, to my knowledge or belief.

Question. Are you receiving for your services from the government, or from any person or persons, or body of persons, any compensation whatever, except the commissions which you receive upon the purchase of those vessels?

Answer. No, sir.

Question. Are brokers generally employed in the purchase of vessels?

Answer. Most generally, and perhaps I might say always.

Question. And they are nearly always employed in the sale of them, too?

Answer. Yes, sir.

Question. So that in fixing the price for which a vessel is sold in the city of New York, there has got to be taken into consideration not only the sum received by the seller, but also two commissions.

Answer. Well, sir, it is very much like a man having his will

drawn. He thinks he has so much property, and does not think of the expense of drawing his will.

Question. In ordinary cases there are two brokers?

Answer. Very often two brokerages are paid.

Question. Is it a very common thing to have two brokers to sell or to purchase?

Answer. It is quite common to have two brokers to sell, but the seller does not often have to pay a brokerage to the man who actually purchases.

Question. When a broker is employed to purchase a vessel, who pays the brokerage?

Answer. The buyer, (or seller, as may be agreed.)

Question. When a broker to sell a vessel meets a broker to buy, who pays both brokerages?

Answer. A man who wants to buy a vessel may employ his own broker to buy, but the seller usually pays. The buyer very rarely pays a brokerage; the usual custom is for the seller to pay the brokerage.

Question. (By Mr. Washburne.) Suppose the government wants to buy a vessel, and the owner asks \$100,000 for it. According to the rule of the Chamber of Commerce, 2½ per cent. upon that would amount to \$2,500. Now, if the government should buy that vessel without the intervention of a broker, why could it not go to the man and buy the vessel for \$97,500?

Answer. They might do that, or they might, as they have heretofore, pay \$2,500 more than the vessel is worth. If the government could negotiate as well, as economically, and as thoroughly in the purchase of vessels and merchandise as merchants can and do, they would not need the intervention of a broker. As an illustration: I received an inquiry from the Bureau of Construction in the Navy Department to ascertain on what terms the charters of the *Huntsville*, *Montgomery*, and *R. R. Cuyler*, could be settled. I immediately sent for the owner, Cromwell & Co., and, after due and thorough negotiation, I obtained a deduction of \$92,000 upon the three vessels.

Question. At what price had they been chartered by the government?

Answer. The three were chartered at \$32,500 a month each, the government to furnish the men, all supplies, and to pay the charter-money up to the time they might purchase, without deduction. The price fixed at which they might be purchased was \$400,000. The charters ought not to have been made, in my opinion, obligating the government to pay the price with the addition of the charter-money, as the government was wearing out its own property, and afterwards buying it. It was found necessary to abrogate those charters, or settle them in consequence of the prolonged want of the government, and also in consequence of the great and expensive alterations which had been made by the government; all of which alterations would have to be made back again, on delivering up the vessels, at a similar great expense. When Mr. Lenthall asked me to investigate these charters I sent for Mr. Cromwell, and stated to him that the government now had vessels which they could substitute in the place of his, and

that the charters would be cancelled instantly unless a great deduction was made in the price or in the charter-money. He immediately said that the government had no vessels to take their places. I stated to him that they had a number just fitted up, and the change would be made; that no delay would be allowed, and that the charter was not what it ought to be. A day or two elapsed before the negotiation was closed, and I then purchased the vessels for the sum stipulated, deducting therefrom the charter-money which was due, making a difference of \$92,000.

Question. The price fixed, in case of purchase, was that they might know what the government should pay in case the vessels were lost?

Answer. No, sir; it was fixed that the government might know what they would have to pay in case the war continued. The prices of the vessels were not so dear as the charters; for the government furnished everything and spent ten or fifteen thousand dollars in repairs, and would have to expend as much more in restoring them to their original condition. The alterations made by the government were so great as almost to destroy them as merchant vessels for the transportation of passengers. Nearly all the upper works were removed, and then port-holes were cut along midships. One or two of them were coppered anew. The stuff taken out of them was stored over in the navy yard. The charters obliged the government to put the vessels back in the same condition that they received them, and that would compel the government to use, not only this old stuff, but a great deal of new, making the expense to the government of restoring the vessels from \$20,000 to \$30,000 each, in addition to the charter-money.

Question. (By Mr. Dawes.) If the government had employed just as good a broker as you are in the first instance they would not have got into such a scrape?

Answer. I do not pretend to be a good broker; but I want you to inquire of the entire public in reference to the character of my transactions.

Question. (By Mr. Dawes.) If the government had employed, in the first instance, as good a broker as they could have employed in the city to do their business, they would have been enabled to save themselves from these losses?

Answer. Yes, sir; that is my impression. Such a charter is not a proper one to be made, as you will see yourselves. There is another case of the same kind now pending, where the loss will not be as large. I am now in treaty to settle the charter of the *Mount Vernon* and the *Monticello*.

Question. What kind of a vessel is the *Monticello*?

Answer. She is a large-sized propeller. The *Monticello*, the *Daylight*, and the *Dawn*, were chartered at the same time. I would like to state that the owners of the *Monticello* and *Mount Vernon* have offered to deduct \$25,000, and the government has offered to settle it for about \$30,000.

Question. Please state now who constitute the naval board in the city of New York.

Answer. Naval Constructor Pook, the oldest naval officer, and who

built all these large ships—the Brooklyn, &c.; ordnance officer, Commander Bell, and the chief engineer, J. B. Kimball. They examine all vessels which are purchased, and determine their fitness for the service for which they are designed.

Question. And you negotiate as to the price?

Answer. Yes, sir; and for every vessel purchased I have the written authority of Pook, in substance: "I have examined and approved of the purchase of the following vessel."

Question. I ask you whether, under the commission you received from the government, consisting of the letters to which reference has been made, you would regard yourself in the character of an officer, a broker, or an agent of the government?

Answer. I consider myself as a broker and agent.

Question. Have you executed any bond to the government for the faithful performance of your duties?

Answer. I have not. I make daily reports to the department of what I have done. I settle no bills whatever, but the owners of vessels themselves forward their bills of sale to the Navy Department at Washington, and settle with the department directly.

Question. Did you take any oath of office?

Answer. No, sir.

Question. Your duty, then, is to hunt up vessels to be purchased?

Answer. My principal duty is to negotiate for them after they have been selected.

Question. You, then, exercise large functions for the government without furnishing the government any of the guarantees, by bond or oath of office, which are common to the officers of the United States.

Answer. I do not exercise large powers, because all my acts are subject to revisal and approval of the Navy Department, which has the settlement of the purchases made.

Question. Are not the acts of all the naval officers of the government subject to the same approval?

Answer. No, sir. Acting as broker, my acts must be ratified by the department before they have any binding force.

Question. Are not the accounts of the commissary department and of the commander of the navy yard subject to the approval of the Navy Department in Washington?

Answer. Not in the sense in which my acts are. They make up accounts and make payments. I do not. I act merely as broker in the purchase of vessels. but the department has the right to reject the vessels. I never sign the bill of sale as made by myself, but as broker for the Navy Department, and they may accept or reject, or send the matter back, as they often do, to the parties for new and different papers.

Question. Has the government ever heretofore acted, in this city or elsewhere, in such transactions, for the army or navy, through the agency of brokers?

Answer. I do not know.

Question. Has not that kind of business been uniformly transacted through officers of the government who have given the usual guarantees required of public officers?

Answer. I do not know.

Question. Do you know of any instance where the government has not acted through such agencies?

Answer. I am not familiar with the action of the government in that respect.

Question. Have you ever yourself been personally connected with the navy?

Answer. Not at all.

Question. Have you ever had any connexion with the construction of vessels?

Answer. No, sir; not with naval vessels, nor with the command of such vessels; for that reason the department selected this board of supervision.

Question. When Commodore Breese purchased vessels for the government he submitted those purchases to the department for approval, did he not?

Answer. No, sir; because he had authority to act finally in the matter.

Question. Why then was he required to consult with other parties, and in one instance, at least, to purchase subject to your approval?

Answer. I do not think he was to purchase subject to my approval, but I was to purchase with his approval.

Question. In reference to those coal vessels, do you not remember that in the letter of May 13, a copy of which was sent to you, this clause occurred: "Please advise with Mr. G. D. Morgan in regard to this matter, and make purchase with his approval?"

Answer. I think my letter stated that the purchase was to be made subject to his approval.

Question. The letter to you is in the following language: "On the 13th instant the enclosed letter was addressed to Commodore Breese, commander of the navy yard, New York." Is not that so?

Answer. I think I have a letter asking me to purchase, subject to his approval.

Question. Will you furnish the committee with copies of the letters and despatches under which you have been making purchases for the government?

Answer. Yes, sir.

Examination by Mr. Dawes.

Question. Do I understand that the naval board indicate to you, in respect to any particular vessel, after examination, that that is such a vessel as it would be proper to purchase for the government, and that then you negotiate for its purchase?

Answer. The way the matter is managed is this: In the first place, we advertise for a certain class of vessels, such as the government needs, whatever they may be, and the advertisements are sent to Pook. In the mean time hundreds of people bring in their offers of vessels for sale. I suppose we have to-day from 30 to 50 vessels offered to us. These offers we have taken down upon paper, and on some proper day, say to-day, we go on board a steam-tug in the morn-

ing and take a look at certain vessels, commencing at Red Hook, below the Atlantic basin, and running up to Green Point we cross over, and come down upon the New York side, and thence up to Fiftieth street, on the east side, and thence down the Jersey shore. Nearly every day we take that whole trip.

Question. That makes the naval board acquainted with the character of the vessels for sale?

Answer. Yes, sir; and then they give me a written letter, authorizing me to purchase such and such ones as they have determined are fit to be purchased.

Question. But that does not require you to purchase them?

Answer. No, sir; it is only a certificate that they approve of certain vessels, and then the government instructs me to purchase them.

Question. And when you get that certificate you go to work and negotiate with the owners of the vessels and you close with them upon the best terms?

Answer. I close with them if I can. Sometimes I cannot do so, and I report the matter to Pook, and then he looks for other vessels.

Question. When you have effected a purchase it has been in that way?

Answer. Yes, sir.

Question. After you have effected the purchase what do you do?

Answer. I simply make a memorandum that they have sold to the Navy Department, through George D. Morgan, as agent, such a vessel. This they take to the Navy Department at Washington.

Question. How does Pook know that you have effected a purchase?

Answer. He is duly informed of it by me.

Question. Do any papers pass between you and the seller?

Answer. No, sir; except when he lives out of town.

Question. What is the next step?

Answer. The seller delivers the vessel wherever Pook directs it to be sent, and forwards a bill of sale directly to Washington. He makes out his own bill of sale. After coming to an agreement with me as to price, and delivering the vessel to Pook's order, he procures the necessary papers at the custom-house, and goes to the Navy Department at Washington for his pay.

Question. What papers does he take to the Navy Department to show that the matter has passed through the naval board and through your hands?

Answer. None. We make a daily report to the department of our doings.

Question. (By Mr. Washburne.) Then, as I understand from your statement, the trade is fully completed when it leaves your hands?

Answer. No, sir; not necessarily so. The department may refuse to confirm my acts. It is like this: it is not an uncommon thing for a broker to send in to the house for which he is acting a sale of sugars; we may refuse, because we find that it is not of the same quality of the sample which was shown to us. A broker never binds, except in special cases, without the knowledge and consent of his principal.

Question. Is there any other examination of the vessel than the one you have referred to?

Answer. Yes, sir. Mr. Pook directs that every vessel, before she is purchased, shall be examined by a ship-carpenter.

Question. After the proceedings which have been alluded to have been gone through with; after the naval board have directed the purchase of the vessel; after you have gone through with a negotiation, and agreed upon the price; after the ship-carpenter has examined the vessel; after a memorandum has been given; after the owner of the vessel makes out his bill of sale, goes to the custom-house, and gets a certificate that there is no lien upon the vessel; and after you report to the Navy Department, and the proceedings there, is there any other step to be taken?

Answer. No, sir; except that the owner gets his pay there.

Question. Then the price of the vessel is fixed by your negotiation?

Answer. Yes, sir.

Question. And the character of the vessel is decided by Pook.

Answer. Yes, sir.

Question. Then the whole thing was done through the naval board and yourself?

Answer. Yes; with the exception of the power of revision, which the Navy Department possesses.

Examination by Mr. Fenton.

Question. Has the Navy Department, in any instance, disapproved of your action?

Answer. No, sir.

Question. Have you at any time had an arrangement with the Navy Department, or contemplated an arrangement, for a compensation additional to that which you have received from the persons from whom you purchased?

Answer. Never.

Question. Then you have never had any correspondence or understanding with the Navy Department, or any officer of the government, as to the compensation you were to receive for your services?

Answer. Never.

Question. Have any persons other than the owners of vessels which you desired to purchase sought to negotiate the sale of vessels to you?

Answer. Yes, sir; a great many brokers and outside parties. I might say a thousand men have spoken to me about vessels.

Question. Has Mr. Bigelow, now consul in Paris, had any transactions with you in reference to the purchase of vessels?

Answer. No, sir; but I bought a vessel in which I believe he was interested. He went around with us one day upon one of our trips.

Question. What was the price paid for that vessel?

Answer. \$23,000, in treasury notes.

Question. You have no knowledge of any commissions being paid in that case by the owners?

Answer. No, sir; I am sure there was not, for I made the same statement to him that I made in other cases. I can state generally, so far as my knowledge extends, that no outside party has, at any time, received any commission from the owner or seller of any vessel; and every owner has been notified, before the negotiation was com-

menced for the purchase of the vessel, that the Navy Department wished me to distinctly state to them that no such allowances or commissions would be paid by them to third parties, and that I must, in all cases, negotiate directly with the owners, and not with brokers.

Question. (By Mr. Washburne.) But how could you prevent their doing it?

Answer. I have gone so far as to state that it was a part of the contract, and I do not see how a seller, under such circumstances, could have any desire to pay anybody.

Question. Unless he supposed some other party had more influence?

Answer. If I stated to the owner in the beginning that I must buy directly of him, and that he must not pay to outside parties any consideration or commission, I do not see how he could do so.

Question. How are you related to Secretary Welles?

Answer. I am not related. I am connected by marriage. We married sisters.

Question. (By Mr. Holman.) Was the Secretary related to any other member of your firm?

Answer. No, sir. My firm has nothing to do with this transaction.

Question. Governor Morgan, of the State of New York, is your brother?

Answer. No, sir; he is my cousin.

Question. (By Mr. Fenton.) When did you retire from the firm?

Answer. The first of July last.

Question. Do you know anything about the loading of the Cataline?

Answer. No, sir; I never understood by whom she was loaded.

Question. Who did the business?

Answer. Edmund Coffin was the broker.

Question. Have you at any time said to any person that you should charge five per cent. for your services?

Answer. Never; but have always distinctly stated, although often offered higher commissions, that in no event could the commission go beyond $2\frac{1}{2}$ per cent.; and in two cases where brokers felt aggrieved, I have yielded the commissions altogether. There is a suit growing out of the sale of the E. B. Hale, bought by a broker, whose name I do not now recollect. He called upon me and said that that vessel had been placed in his hands by E. & D. Bigelow for sale, upon which they were to pay him a commission, and his charge was to be 10 per cent. As all vessels are sold through brokers, very few owners came to offer their vessels; and although I stated to brokers that they could not receive any brokerage or commission, and that I must buy directly of the owners, it did not seem to make much difference with them, and consequently we *advertised* to purchase directly of the owners in all cases.

Question. Have you received, or engaged to receive, or has any other person or party received, or been promised, a compensation for the sale or transfer of vessels to yourself, as agent for the government, beyond $2\frac{1}{2}$ per cent. as brokerage?

Answer. Never, directly or indirectly, to my knowledge or belief. On the contrary, every owner has been informed, before the negotiation

for the sale of the vessel was entered upon, that that was the entire amount he would have to pay on the sale of the vessel.

Question. (By Mr. Steele.) Who chartered the vessels you have mentioned, whose charters you have been, and are now, negotiating about?

Answer. Commodore Breese.

Question. Do you know who acted as his agent in that matter?

Answer. Quite a number. Constructor Delano, Capt. Comstock, and Mr. Aspinwall. I understood that he had not time to attend to the matter, and he left it to other parties mostly.

Question. At the time these vessels were chartered, in your judgment, could not vessels of the same kind have been chartered at much more favorable rates to the government?

Answer. I must decline to answer that question unless I am compelled to. The settlement of the charters explains it.

NEW YORK, *September 6, 1861.*

GEO. D. MORGAN recalled :

Examination by Mr. Holman.

Question. State what connexion you had with Alexander Cummings in the purchase of stores, naval or military, for the government.

Answer. I received a telegraph from Governor Morgan, who was in Albany, requesting me to act for him, on behalf of the government, with gentlemen who were associated with Alexander Cummings, by letter of authority from Secretary Chase and Secretary Cameron, asking them to make purchases, and then to engage transportation therefor to Washington during the interruption of the regular communication through Baltimore. Accordingly I went to the Astor House and read the letter of authority from the Secretary of War to Governor Morgan and Alexander Cummings; and in the absence of Mr. Cummings, who was in Washington I directed the purchase of 18 head of cattle, and some stores, consisting of sugar, coffee, and potatoes, and other little things which I do not remember. After two days, seeing that Mr. Cummings had authority, in the absence of Governor Morgan, to contract for purchases without him, I wrote to the governor that I did not care to act in the matter; and that as Cummings had the power to act in his absence, the matter had better take that turn. I made a statement of all the purchases which I made for the government, and forwarded it to the Secretary of War.

Question. At the time you received the despatch from Governor Morgan was Alexander Cummings in this city?

Answer. He was not, I think.

Answer. Where did you find the letter of instructions to him and Governor Morgan?

Answer. At the Astor House.

Question. In whose possession?

Answer. In the possession of 'Thurlow Weed.

Question. Why was it in his possession?

Answer. I do not know.

Question. How did you understand that the letter was in his possession?

Answer. He showed it to me. The governor first telegraphed to Mr. Weed to have me act.

Question. Did he tell you for what purpose it was left in his hands?

Answer. No, sir. I supposed it was left in his possession through Governor Morgan.

Question. How long previous to the time when you saw this letter in the possession of Weed had Governor Morgan left the city?

Answer. A week or two, at least. He was in Albany most of the time, except as he came down from time to time.

Question. Where had Weed been for four or five days previous to your seeing this letter?

Answer. I presume at the Astor House.

Question. Then it must have been in his possession for some days?

Answer. No, sir; for I received it in two days after it was sent on.

Question. Then the letter never was in the possession of Governor Morgan?

Answer. No, sir. The same day it was received here the telegraph came to me to act. And Mr. Weed had received a telegraphic despatch asking him to have me act.

Question. Then Alexander Cummings was not in this city at that time?

Answer. No, sir; not that I know of.

Question. And he did not come to the city until after you had made the purchases referred to?

Answer. That is my impression.

Question. At whose instance did you make the purchases?

Answer. I was informed by Weed that those articles were needed.

Question. What were they?

Answer. Eighteen head of beef cattle, which I bought of Allerton & Co., and sugar, coffee, potatoes, and some other little articles; a list of which I sent to the Secretary of War.

Question. What was the aggregate amount of them?

Answer. It was moderate—from \$15,000 to \$25,000 worth.

Question. Purchased within what length of time?

Answer. All within a day or two.

Question. Who paid you the amount you expended in the purchase?

Answer. They were paid for by drafts drawn by Mr. Cummings.

Question. Then you did not pay for the articles?

Answer. No, sir; he paid for them.

Question. And the money never came into your possession?

Answer. Not a dollar of it.

Question. What articles did he authorize you to purchase after that time?

Answer. None.

Question. What articles did you purchase after that time?

Answer. None.

Question. Where did the articles you purchased go to?

Answer. To Washington.

Question. Upon what vessel?

Answer. I cannot tell. They may have gone upon two or three ; but I should say, possibly, the Roanoke took some of them.

Question. Upon what vessel did Weed suggest that they should be shipped?

Answer. He did not say anything about it.

Question. Did Weed say anything about the Cataline?

Answer. No, sir.

Question. Were any of the articles, which were shipped on board the Cataline purchased of E. D. Morgan & Co.?

Answer. We never sold the government a dollar's worth of supplies.

Question. Were no articles furnished by E. D. Morgan & Co., either directly or indirectly, which were afterwards shipped upon that vessel?

Answer. Not a dollar's worth.

Question. How long after you made these purchases was it before Cummings returned to this city?

Answer. I cannot tell.

Question. You furnished the bills, and he paid them?

Answer. No, sir ; the parties from whom I bought the articles furnished the bills.

Question. What amount of groceries were purchased, and what was the character of the groceries?

Answer. They were of the best quality, and I should say they did not exceed in value \$10,000.

Question. What kinds?

Answer. Sugar, coffee, tea, and potatoes.

Question. Were those all furnished by one establishment?

Answer. They were all purchased by one man.

Question. Who purchased them?

Answer. C. B. Knevals, of the firm of Knevals & Wiley.

Question. Were none of the articles which you have enumerated as obtained by yourself purchased of the firm of E. D. Morgan & Co.?

Answer. None of them.

Question. What business was Knevals in?

Answer. The grocery business.

Question. Can you explain the following memorandum of articles, which was handed to assistant quartermaster, Major Eaton?

“ 54 AND 56 EXCHANGE PLACE, *New York*, 186 .

200 bls. sugar,

30,000 R. G. coffee,

4,000 candles,

1,000 bushels potatoes,

Shipping by Roanoke, under order Sect. War to Gov. Morgan and Mr. Cummings, to Washington.”

Answer. 54 and 56 Exchange Place is my place of business. If the facts are so, it was because the vessel which was to take them

could not take them, and they were left out on the wharf, and afterwards put there for protection from the weather. Neither E. D. Morgan & Co., nor any member of the firm of which I am a member, had any connexion or interest whatever, of any kind, in the profits, purchase of, or commissions on any of those articles.

Question. The articles enumerated in that memorandum are the same articles purchased by you, are they not?

Answer. They were some of the articles purchased by Mr. Knevals.

Question. Mr. Knevals, of course, got commissions for purchasing them?

Answer. I do not know. If the articles were at my place of business, they were there under the circumstances I have named, as my clerks can inform you.

Question. If neither the assistant quartermaster in this city, nor the assistant commissary, nor the commandant of the navy yard, nor yourself, nor Alex'r Cummings, nor the Union Defence Committee, can inform this committee who loaded the steamer Cataline, can you tell who can furnish that information?

Answer. I cannot. I know that Edmund Coffin bought her. I once asked him what the reason was that he did not come out and explain all the circumstances. And I then asked him how he got his pay. He told me he got his pay by a check on Albany; but I never heard the word "Cataline" spoken at the Astor House, and I have no knowledge in reference to her, except what I have here stated.

Question. Well, I repeat my last question.

Answer. I would answer you if I knew how. I positively know of no other information in regard to that boat than I have already given.

Question. No portion of the \$160,000 that Cummings expended passed through your hands?

Answer. Not one dollar of it.

GEO. D. MORGAN.

The letters and statements referred to in the foregoing testimony, and as subsequently furnished to the committee by the witness, will be found in Appendix "B."

NEW YORK, *September 25, 1861.*

BENJAMIN F. WOOLSEY, being recalled, was examined as follows:

Examination by Mr. Dawes.

Question. Do you know George D. Morgan?

Answer. Yes, sir; I have had a little business with him.

Question. Do you know anything about the manner in which the vessels which have been purchased by the government have been purchased?

Answer. I know that Mr. Morgan has been buying vessels for the government. I sold him one vessel myself, and I know a number of the vessels which he bought, and I know about the manner in which he has bought them.

Question. What can you say about the manner in which the government has been buying those vessels as to its being a proper method?

Answer. I do not know how to answer the question. Mr. Morgan invited parties having vessels to sell to leave with him a description of the same, together with the price asked. I called upon him on two or three different occasions and left a description of a number of vessels, and he told me when he would examine them. He invited me to go with him one day on a tour of examination, as he did not like to have vessels bored unless the parties owning them were with him. I accepted the invitation. He had a ship-carpenter with him to make the examination.

Question. Do you know what Mr. Morgan's business has been heretofore?

Answer. I do not.

Question. Do you know whether, up to that time, he had had any experience as a ship broker?

Answer. I never heard that he had any experience.

Question. Would a person in the wholesale grocery business be likely to be a fit person to purchase ships?

Answer. I should think not.

Question. Does it require experience in the management, or in the building, or in the furnishing of vessels, to fit a man to be a good purchaser of vessels?

Answer. I think it does. I think a person who wished to purchase a vessel for himself, and for a certain purpose, would give the vessel a different examination from what Mr. Morgan could be expected to give vessels. I think he would fail to look at many points of a vessel which other persons, under different circumstances, would look at. If I were to examine a vessel with a view to purchase for myself I should examine, perhaps, what he would not examine. I would examine the spars and rigging, as well as other things. I do not know but Mr. Morgan posts himself up through others.

Question. What experience is necessary to qualify a man to be a proper person to intrust with the purchasing of vessels for the government?

Answer. I should think one who is familiar with the building of vessels, and with the value of the materials entering into their construction, would be the best person to intrust with the purchasing of vessels. I do not know, if Mr. Morgan had a suitable person to rely upon, but that he would be as good a man as any one.

Question. Without experience, and relying upon his own judgment, would he be a safe person to intrust with that business?

Answer. If I wanted to purchase a vessel I would hardly like to rely upon his judgment.

Question. Could a person be safely intrusted with that business without the experience to which you have referred?

Answer. I should think not.

Question. Must a person, in order to be a safe agent, either be himself qualified in that respect or procure persons who are qualified to aid him?

Answer. Yes, sir; I think, judging from what I have seen, if Mr. Morgan had persons of experience to report the facts to him, he would be a good person to buy vessels, as he makes a good bargain.

Question. Could the services of persons in New York, qualified by such experience, have been obtained by the government?

Answer. Yes, sir.

Question. Could they have been obtained upon a liberal salary?

Answer. Yes, sir.

Question. What would have been a liberal salary to a person qualified by such experience to perform those duties?

Answer. I think competent men could have been obtained for \$2,500 a year.

Question. And at the same rate for a shorter period?

Answer. Yes, sir; at that time.

Question. Would there have been any difficulty in the government availing itself of the best talent and experience for that duty at a salary of \$2,500 a year?

Answer. I think not. Perhaps ship builders, in New York, would not think of entertaining such a proposition for less than \$5,000 a year, but I could get persons equally as competent as they are at \$2,500 a year.

Question. Is there any necessity for the government paying anybody more than \$5,000 a year for performing the duties which Mr. Morgan performs?

Answer. No, sir.

Question. Was it difficult to obtain any such competent person in this city?

Answer. No, sir. I do not consider it difficult to obtain a person of that kind in this city at any time. I think the best services could be commanded for \$5,000 a year, and perhaps you could get as competent men for \$2,500.

Question. Would there have been any difficulty in obtaining a man with all the qualifications of Mr. Morgan, and superadded thereto all the experience necessary to qualify him for those particular duties, for \$5,000 a year.

Answer. I think not.

Question. Do you know whether Mr. Morgan examined the vessels himself, so as to be able to tell whether they were sea-worthy or not?

Answer. I should not think he did. He did not go into such an examination as I consider ought to be gone into, to understand the condition of a vessel. He had two ship builders with him, and they may have gone into a satisfactory examination and informed Mr. Morgan of the result. Mr. Morgan himself did not seem to do so.

Question. Had Mr. Morgan any experience which would qualify him for such an examination?

Answer. I think not.

Question. If any such examination was made at all must it not have been made by others and not by Mr. Morgan himself?

A. I think so. He had to depend wholly upon other parties to know the condition of vessels, and whether they were suitable for service.

Question. Do I understand you to say that Mr. Morgan himself had no experience which would enable him to judge of the condition of a vessel?

Answer. I never knew Mr. Morgan until I called upon him, stating that I had an interest in a number of vessels for sale. I did not know what his business was until that time. I judged, from what I saw of him, that he did not go into such an examination as I should, if I wanted to buy a vessel, though he may have confided in the judgment of those two builders, Sneeding and Whiting.

Question. State the facts and circumstances connected with the sale of the vessel which you sold to Mr. Morgan, and what he said about commissions?

Answer. I sold him the schooner John Griffith, a vessel built in 1857, in New York.

Question. What examination was she subjected to?

Answer. She was subject to an examination by boring. The carpenters went into the hold, and selecting any points they chose bored with an auger, and examined the borings to see whether the timbers were sound. They bore in as many places as they choose, until they are satisfied. They pronounced the vessel sound, and I believe she is sound. Mr. Morgan examined the timbers overhead, and I think he measured one or two of them, so as to have an idea of the strength of the deck, and that is about all the examination he made. He looked around upon the deck; he asked me as to the condition of the sails, which were stored away in a sail-loft, and which were in good repair; he asked me also whether the vessel was a fast sailer. I told him she was extra fast.

Question. Did he make any personal examination of the sails?

Answer. No, sir.

Question. Or of the yards and rigging?

Answer. No, sir; no more than could be done by standing upon the deck.

Question. Did he ask you any questions about the spars or rigging?

Answer. He asked me whether the sails were in good order.

Question. Was an examination made of the masts?

Answer. I think not. I do not think any such examination was made of any vessel on which I went on board with him. Sometimes the stand spars give out at the mast head.

Question. Was any examination made of them in that locality?

Answer. No, sir; no one went above the deck.

Question. For what sum did you sell the John Griffin?

Answer. For \$8,000.

Question. Was that your price?

Answer. No, sir; I set the price at \$10,000. The vessel cost about \$18,000, and a year since we laid out \$3,000 more upon her. But that was of no use to the government, because it was for an extra deck, which had to be taken off for government use.

Question. Did you sell through a broker?

Answer. No, sir.

Question. What did Mr. Morgan say to you about brokerage?

Answer. He cautioned me about paying anything to any one for selling the vessels; that I would be charged two and a half per cent. for brokerage, and that was all that was to be paid to any one.

Question. Two and a half per cent. to be paid to whom?

Answer. To him by me, which would be deducted from the purchase money. I have not yet got the money for the schooner, as one of the owners of the vessel has been away. I know that other parties who have received their money have all paid $2\frac{1}{2}$ per cent.

Question. Is that the usual price paid to brokers, when a ship-owner goes to a broker and leaves the ship with him?

Answer. That is the usual price.

Question. Do you know of any instance where the seller of a ship has been required to pay the broker of the purchaser any per centage?

Answer. I do not. I mean to be understood that the person buying pays the two and a half per cent.

Question. When you sell a ship through a broker then you pay the per centage?

Answer. No, sir. I understand that the buyer usually pays the broker. If I want to buy a vessel and make an application to a broker I pay him for it.

Question. What is the rule of the Chamber of Commerce in that respect?

Answer. I do not know. I know that some sellers do pay this commission, but I think that unusual.

Examination by Mr. Dawes.

Question. When you employ a broker to buy a vessel you pay the $2\frac{1}{2}$ per cent. commission; and when you employ a broker to sell a vessel he gets $2\frac{1}{2}$ per cent. from the other party.

Answer. Yes, sir; unless you have a special understanding about the matter.

Question. Is this buying and selling vessels usually done through brokers?

Answer. Yes, sir.

Question. Would there have been the slightest difficulty upon the part of the government in effecting those purchases without the intervention of a broker?

Answer. None at all.

Question. Would there have been any difficulty in the government procuring the services of a person every way competent to make those purchases, at a fixed salary of \$5,000 a year, and thereby saving all brokerage in the matter?

Answer. Not the least.

Question. Who, in fact, pays the brokerage, by the mode which Mr. Morgan has adopted? Does not the seller in selling take into consideration the amount he has to expend in selling the vessel?

Answer. Yes, sir; I suppose he does in a measure.

Question. Is not informing you beforehand that you would have to

deduct two and a half per cent. commissions from the purchase money equivalent to informing you beforehand that you must add two and a half per cent. to your price?

Answer. That must be the effect of it.

Question. Then is not the government, in fact, paying two and a half per cent. more for these vessels than they would pay if they had employed a man at a fixed salary?

Answer. It appears so to me. I think I would have been just as willing to have sold my vessel to the government for two and a half per cent. less as I would to have sold it for what I did and pay two and a half per cent. to Mr. Morgan.

Question. Is the transaction, in point of fact, anything less than the government paying Mr. Morgan two and a half per cent. upon the purchase price of each one of those vessels?

Answer. I consider that it is just that.

Question. When this information is given to the ship seller beforehand is it not the inevitable effect to put two and a half per cent. more upon the price of the vessel than would be put upon it if that percentage was not to be paid to Morgan?

Answer. I think such is the effect upon the seller.

NEW YORK, *September 27, 1861.*

HENRY B. CROMWELL, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. What is your business?

Answer. I am in the freighting and passenger business with steam vessels.

Question. Where do you reside?

Answer. In Brooklyn.

Question. Have you had any transactions with the government?

Answer. Yes, sir. We have both chartered and sold several steamers to the government.

Question. What steamers have you sold to the government?

Answer. The Huntsville, Montgomery, R. R. Cuyler, Mount Vernon, and Monticello.

Question. Through whom were the purchases made?

Answer. Through George D. Morgan.

Question. What were the terms of the sale?

Answer. The price was \$345,000 for the first three, and for the other two \$150,000.

Question. What were the terms of your contract with Morgan? Did you pay him any commissions?

Answer. We paid him commissions on the first three. I take it for granted that we paid him one per cent. On the first three we paid him a commission of \$3,450, and I suppose we shall pay him the

same rate of commission on the others when we get the money from the government.

Question. Did you understand that that was to be the commission in all cases?

Answer. In all cases where he bought vessels as he did ours. He did not go to the vessels at all, for they were off upon the blockade service. He merely made arrangements for taking up the charter-party made by the government and for purchasing the vessels.

Question. Had he anything to do with an examination of the vessels?

Answer. No, sir. They were then in the Gulf of Mexico.

Question. What did he do?

Answer. He beat us down in the price, and got them as low as he could. We sold the vessels at a great reduction. We sold the three for \$345,000, when the price stated in the charter-party was \$400,000. Morgan is an exceedingly shrewd, sharp fellow. He induced us to take a very large discount off. We ought to have had the price named in the charter-party, but he saw that we had no business for the vessels and wanted to sell them; and hence he induced us to take that low price for them.

Question. What is the practice in relation to the payment of commissions on the purchase and sale of vessels?

Answer. Well, we are charging the stockholders of our company five per cent. for selling these ships to the government.

Question. Out of that five per cent. do you take this one per cent. which you pay to Mr. Morgan?

Answer. We have not settled our account with the owners yet.

Question. What is the name of the company that owned the three first named vessels?

Answer. The American and Atlantic Screw Steamship Company. On vessels running to the Gulf five per cent. is the usual commissions upon all transactions.

Question. What upon the sale of vessels?

Answer. It is not often that merchants sell vessels.

Question. What commission do brokers get, and who pays it?

Answer. They generally act for commission merchants, and commission merchants employ their own brokers.

Question. Who pays the commission eventually, the buyer of the vessel or the seller of the vessel?

Answer. If any is paid, the seller, I think, pays it.

Question. Then that is so much added to the price, is it not?

Answer. The seller assumes all the expenses of selling a vessel. They bear all the expenses of selling the property, and I think it comes out of the price.

Question. Were these vessels chartered to the government before they were sold?

Answer. Yes, sir.

Question. At what price?

Answer. The R. R. Cuyler, which was about 1,500 tons burden, was chartered for \$12,500 a month. The Huntsville and Montgomery for \$10,000 a month, each, for a period of three months.

Question. Was this sale made to the government before the expiration of that three months?

Answer. No, sir. They had been in the government employ four months and a half. In selling we not only reduced the price \$55,000, but relinquished all the charter money after the three months. We relinquished about \$80,000 on those three ships.

Question. State the amount of money you have paid Mr. Morgan as commissions.

Answer. We have paid him only \$3,450; that is, one per cent. upon that sale.

Question. What did he do for that \$3,450?

Answer. We had many conferences together, and he beat us down all he could, and made representations that he would return the ships upon our hands. By making such representations, he induced the stockholders to sell the vessels.

Examination by Mr. Dawes.

Question. Do you consider that you paid him for beating you down?

Answer. I suppose that was what the government employed him for.

Question. But you were to pay him?

Answer. I think the government ought to have paid him, but he said that one per cent. was to be paid by us. As he said that we were to pay him one per cent. I did not take the trouble to look at the law.

Question. Did he tell you before he made the purchase that you must pay one per cent.?

Answer. Yes, sir.

Question. So you had fair notice that you must put that upon your price, if you chose; that is, that in the price you fixed upon the vessel you must take into consideration the fact that one per cent. was to come out of it?

Answer. I do not suppose we should have sold them for any less if we had not had to pay that one per cent.

Question. Did you not take that one per cent. into consideration in determining your price for the vessels?

Answer. No, sir; I do not think we did, but with close calculators that would have been the natural consequence. I cannot say that I thought of it. It being a small commission, I thought it a matter of no consequence.

Question. Do you regard that as a portion of the five per cent. which you charged for selling?

Answer. I do not. But I have never taken that matter into consideration, as our accounts are not settled yet.

Question. What were the terms of sale?

Answer. Cash.

Question. Did you make any stipulation as to how you should take your pay, or any part of it?

Answer. We stipulated that the payment should be in gold.

Question. How long ago was this transaction?

Answer. A month ago.

Question. What is the reason the two other vessels are not paid for yet?

Answer. Because the government wanted us to send on a sworn statement as to who are the stockholders.

Question. What is the object of that?

Answer. I do not know. I had before sent a statement that all the stockholders resided in New York.

Examination by Mr. Holman.

Question. Was anything said in the first place about the payment of $2\frac{1}{2}$ per cent. commissions?

Answer. Never.

Question. And there was no statement made by Morgan that he would reduce the commission from two and a half to one per cent. in consequence of the heavy deduction you made from the original price agreed upon?

Answer. No, sir; I have heard it stated that Morgan charges higher commissions where he goes and examines vessels.

Question. Was he aware that you were charging five per cent. for selling?

Answer. I think not; we got all we could out of him.

Question. What could you have done with your vessels if you had not sold them?

Answer. That was the question, and, for that reason, we sold them at a much lower price than we can build them for. We had thirteen steamers when the war broke out, and we sold five of them. The Monticello is one of the most efficient steamers the Navy Department ever had.

Question. What kind of a vessel is she?

Answer. A freighting and passenger steamer.

Question. With whom did you make the charters?

Answer. With the government authorities at the navy yard. Commodore Breese was instructed to charter a certain number of vessels, and he sent a man to examine our ships. We agreed with him upon the terms, which were very low.

Question. Did you agree to run the vessels?

Answer. No, sir; we simply delivered them to the government, and they agreed to return them in as good condition as they were, the usual wear and tear excepted.

Question. Was the price for which the R. R. Cuyler was chartered low?

Answer. Yes, sir; she was a very expensive vessel.

Question. What did she cost?

Answer. \$180,000; she was under charter for a long time. The government overhauled her, and put guns on board of her. Those alterations almost ruined her. They took her cabins and furniture out, and put guns between decks.

Question. But the government was to restore her to you in her original good condition, usual wear and tear excepted?

Answer. Yes, sir; but there was the breaking up of our business.

Question. (By Mr. Washburne.) Did they pierce her for guns?

Answer. Yes, sir ; four holes on each side. She has been employed in blockading Tampa Bay, Florida.

Question. By the terms of the charter did the government insure her against all perils?

Answer. Yes, sir.

Question. (By Mr. Steele.) You say the furniture and the inside of the ship were taken out. Did the government keep the parts which were taken out?

Answer. Yes, sir.

Question. What have they done with them?

Answer. They have stored them at the navy yard. At the time these vessels were chartered there were but few vessels to be had which were fit for the service. Orders were issued to charter ten vessels, and Mr. Delano, of the navy yard, got only nine out of the ten, and he gave us a *carte blanche* to obtain another, which he would charter if we could find her. These were the only vessels of that strength, efficiency, and character which would enable them to be ranked among naval vessels. They were nearly new, strongly built, and were propellers. Morgan is a shrewd man, and the hardest man I ever dealt with in my life, and I think he got a deduction of \$50,000 on these steamers by his management.

NEW YORK, September 27, 1861.

SAMUEL L. MITCHELL, being duly sworn, was examined as follows :

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in New York, and am a commission merchant.

Question. Have you had any transactions with the government in the purchase and sale of vessels?

Answer. Yes, sir ; I sold the government four vessels—the *Massachusetts*, now called the *Connecticut*, for \$200,000 ; the *Augusta*, for between \$96,000 and \$97,000 ; the *Florida*, for \$87,500, and the *Alabama*, for between \$93,000 and \$94,000.

Question. Who acted for the government in making those purchases of you?

Answer. George D. Morgan.

Question. Had those steamers been previously chartered to the government?

Answer. One of them had.

Question. Which one?

Answer. The *Alabama*.

Question. At what price?

Answer. On one occasion for \$1,000 a day, and on another occasion for \$900 a day.

Question. Do you know anything about the commissions which were paid upon the sale of the vessels?

Answer. I paid Mr. Morgan $2\frac{1}{2}$ per cent. upon the purchase money of all the vessels.

Question. Have you been paid for the vessels?

Answer. Yes, sir.

Question. How long since you were paid?

Answer. The *Massachusetts* must have been paid for more than two months ago.

Question. How long since the *Augusta*, *Alabama*, and *Florida* were paid for?

Answer. They were paid for about the middle of August, I think.

Question. And you have paid Mr. Morgan a commission of $2\frac{1}{2}$ per cent. upon all those purchases?

Answer. Yes, sir; directly to him.

Question. Have you been in the habit of buying and selling vessels?

Answer. I have not been in the habit of buying. I built those vessels.

Question. What is the practice as to the payment of brokerage upon the sale of vessels?

Answer. That depends upon circumstances. If you employ a person to sell a vessel for you, you pay brokerage; but I never paid brokerage to a person employed by anybody else. I was assured by Mr. Morgan that the government paid him nothing.

Question. How much, in gross, did you pay him?

Answer. It must have been over \$11,000.

Question. Before the trade was made, you were advised as to the commissions?

Answer. Yes, sir; he mentioned it to me.

Question. So that you had an opportunity to put that percentage upon your price?

Answer. Yes, sir; but I did not think of that, for I was anxious that the government should have the vessels, and I would almost have given the vessels to the government while the ports at the south needed blockading. We had no difficulty about the price. It seemed a pity that they should lay at the dock when they were so much needed.

Question. What did you think of paying a man \$11,000 for buying four vessels?

Answer. I thought it a pretty good charge.

Examination by Mr. Holman.

Question. Through what length of time were these negotiations pending?

Answer. A very few days. He and other parties went to examine the vessels. Indeed, in the case of the *Massachusetts*, I went so far as to have a trial trip, so that his friends could go down and view all her operations.

Question. Where did she run before?

Answer. She had never been to sea; she was entirely new. We took a great deal of pains in building her, without any expectation of having to sell her.

Question. What is the name of your company?

Answer. The New York and Savannah Steam Navigation Company. The *Massachusetts* was built for that trade.

Question. What vessel did you charter for \$1,000 a day?

Answer. The *Alabama*.

Question. Did you furnish everything?

Answer. We paid all the expenses except the stores for the troops, which were carried to Annapolis. I understood from Mr. Morgan that every person from whom he bought vessels paid him the same commission that I did; but I have understood since that that was not exactly so.

Question. The effect of that was, that the more you got for the vessels the more Mr. Morgan got by way of commissions?

Answer. That would seem to be the case; but Mr. Morgan seemed to work for the government harder than I thought he would have worked for himself. Morgan was not liberal in his prices, but rather the contrary.

Question. Parties owning vessels were anxious to sell them?

Answer. No doubt they were; but we thought we ought to have got more money for them than we did. The *Augusta* cost us \$170,000, and we sold her for less than \$100,000. Of course age had depreciated her value somewhat. She had been running five or six years, but she was always kept in good condition, and recently new boilers had been put into her.

Question. In the trial trip you have spoken of, who accompanied Mr. Morgan?

Answer. I do not know. Commodore Paulding went with Mr. Morgan to see all the vessels before they were purchased.

NEW YORK, *September 28, 1861.*

GEORGE D. MORGAN, being recalled, was examined as follows:

Examination by Mr. Holman.

Question. You have furnished the committee with five letters from the Secretary of the Navy, (see Appendix "B,") the first bearing date the 20th of May, 1861; the second, the 15th of June; the third, the 15th of July; the fourth, the 29th of July; and the fifth, the 30th of August; state whether those are the only instructions you have received from the Navy Department authorizing the purchase of the vessels which you have made upon the part of the government.

Answer. Those are the only letters I know of. There are quite a number of other letters, but they do not relate to the buying of vessels.

Question. Are those the only letters, either official or unofficial, received by you from the Navy Department authorizing you to make purchases?

Answer. I have never received any unofficial letters. I believe

those are all I received in reference to that matter. A great many letters have been received by me making inquiries in reference to particular matters, such as inquiries in relation to the correctness of a bill of sale, &c. Those are all the letters I received up to that time that I now recollect.

Question. Those letters embrace all the authority upon which you have acted upon the part of the government in making these purchases, except those letters and telegraphs received since and for special matters?

Answer. Yes, sir.

Question. Have you any other letters or written instructions in your possession upon which you have acted in making those purchases other than the five letters I have mentioned?

Answer. No, sir. Commodore Paulding himself came here with letters in regard to some of these steamships, and the Assistant Secretary of the Navy has been here to examine vessels which we were ordered to purchase. In those cases there was nothing but verbal authority.

Question. What has been the understanding between yourself and the Secretary of the Navy, or any other officer of the government, as to the compensation you should receive for your services?

Answer. There has been no understanding between them and me as to any compensation I was to receive for my services. But when they asked me to charter the *Quaker City*, I stated I was willing to do the business for the government upon the usual mercantile principle, which was that where vessels were sold by brokers, as they almost always are, the seller should pay the broker; that upon those terms I would do the business to the best of my ability.

Question. Did you inform the Secretary of the Navy of the usual percentage upon which vessels were generally purchased?

Answer. Yes, sir. I stated that single commissions were never more than two and a half per cent., as established by the Chamber of Commerce.

Question. Then the Secretary of the Navy has been informed from the beginning of this business of the terms upon which you are making these purchases?

Answer. Yes, sir.

Question. Has any objection been expressed as to that mode of operation?

Answer. I never heard of any.

Question. Has it not been suggested to you by the Secretary of the Navy that a better plan would be to fix upon a fair annual compensation for those services?

Answer. Never.

Question. What vessels have you purchased, if any, since you were last before the committee?

Answer. I cannot name them. A number have been purchased, of light draught of water. I can from my book give an accurate list of names and prices.

Question. Are you still making purchases?

Answer. Yes, sir, a very few. There is the *Narragansett*, belonging

to the State of Rhode Island. They purchased her when they thought there was danger from privateers. They now ask the Navy Department to purchase her. The department consented, and gave directions to have her examined here. On that there is to be no commission paid.

Question. At what price is she to be purchased?

Answer. \$14,500; they throwing in some things without charge, among which is a rifled gun which cost \$400.

Question. Have you consummated that contract?

Answer. Nearly, if she passes inspection.

Question. Your commission upon that vessel will be the usual one?

Answer. No, sir; no commission is to be paid.

Question. In the list which you have furnished to the committee of vessels purchased by you, you state that you received a commission of $2\frac{1}{2}$ per cent. upon the ships *National Guard*, *J. C. Kuhn*, *Pampero*, *Mississippi*, *Eagle*, and *Stars and Stripes*. There is one steamer put down here—not named—as having been purchased for \$130,000, but there is no statement as to the charge for commissions.

Answer. The commission has not been received, because the vessel may not be accepted by the government.

Question. Then that vessel has not yet been received by the government?

Answer. She has not been.

Question. Is she named?

Answer. No, sir.

Question. Is she yet completed?

Answer. No, sir.

Question. What is yet to be done?

Answer. Her arrangements for armament is yet to be put on board. It was to have been done last week.

Question. Is she being furnished under the orders of the government?

Answer. Yes, sir.

Question. And then she will be received by the government at the price named?

Answer. I see no reason why she should not be.

Question. Is she to be finished as a war vessel?

Answer. Yes, sir; in a certain manner.

Question. What is the commission upon that vessel to be?

Answer. I expect the owners of the vessel will pay the $2\frac{1}{2}$ per cent.

Question. You have, then, stated that the commission on the *Satellite*, *General Putnam*, *James Adger*, and *Brazeliera*, is $2\frac{1}{2}$ per cent. Next comes the steamship *Augusta*, on which the commission is not carried out. How much is it to be?

Answer. It is all $2\frac{1}{2}$ per cent. The owners of the *Bienville* and *De Soto* steamships were very stiff in regard to their prices. The vessels were new ones; but I thought the prices unreasonable, and so did the department, (they were ships of 1,700 tons burden,) and I did not buy them for some time. Mr. Fox, the Assistant Secretary of the Navy, and Commodore Paulding, examined them personally, and Mr. Fox instructed me to buy them at the owners' price, which

was \$330,000. My desire was to buy them considerably less than that, but the owners were the stiffest people I had met. I finally told them I would reduce my commissions and give them \$322,500, which was \$7,500 less than Mr. Fox authorized me to pay. I bought them for that sum.

Question. Was Mr. Fox cognizant of the manner in which you were paid?

Answer. He was aware that I was doing the business in the usual mercantile mode.

Question. Did he raise any objection to that mode?

Answer. No, sir.

Question. In order that we may understand this matter more fully, state the names of the vessels in this list which you have furnished to the committee, upon which you have not received, and upon which you are not to receive, two and a half per cent. commissions?

Answer. I state, to the best of my knowledge and ability, the bark *Amanda*, steamships *De Soto* and *Bienville*, steam-tugs *Mercury* and *O. M. Petit*, and steam propellers *R. R. Cuyler*, *Huntsville*, *Montgomery*, *New London*, *Monticello*, and *Mount Vernon*.

Question. Upon which of the vessels last named is your commission one and a half per cent.?

Answer. The *Amanda*, *De Soto*, and *Bienville*.

Question. Upon which of these vessels did you receive no commissions?

Answer. The propeller *New London* is the only one. There are some others which have been purchased since the list was furnished.

Question. Upon which of those vessels did you receive a commission of only one per cent.?

Answer. The *R. R. Cuyler*, *Huntsville*, *Montgomery*, *Monticello*, and *Mount Vernon*.

Question. How did it happen that you divided with Captain Russell Sturgis the commission upon the steam-tug *O. M. Petit*?

Answer. Because he came with the owner, and took a great deal of pains to sell her before he knew of the rule I had adopted of buying no vessel except directly from the owner. When I stated to the owner that I could not buy a vessel through Captain Sturgis or any other man, and that he could not be allowed to pay any brokerage in the matter to anybody else, that the government must buy directly from the owners, and that I was acting as broker in the matter, Captain Sturgis felt that he had lost his time, and rather than that he should receive anything from the owner, before I negotiated for the vessel I told him I would myself pay him one and a quarter per cent. out of my brokerage.

Question. What commission have you received upon the purchase of the steamship *Augusta*?

Answer. Two and a half per cent. I had not received it when I made out the list, as the owner, Mr. Mitchell, felt that he had sold her too cheap, and was not well pleased, and for a time withheld the commission.

Question. When the government makes the payment you deduct the percentage from the amount?

Answer. No, sir; I never did it. The custom is, when a vessel is sold, the seller sends the brokerage to the broker, and that has been the practice in my case.

Question. What vessels, if any, have you purchased away from the city of New York?

Answer. None, I believe.

Question. Did you purchase any vessel at Boston, or in any other portion of the New England States?

Answer. No, sir. My instructions were not to buy any vessels east of Connecticut, as it would interfere with the agent of the government there.

Question. Was any person in that section of the Union authorized to purchase vessels?

Answer. I am not aware that there was. It was reported that Mr. Forbes had authority to do so, but I know nothing about it, to my own knowledge.

Question. Have you understood that he has been exercising such authority?

Answer. I have heard nothing definitely about it.

Question. Did you hear from any person the original cost of constructing the steamer *Stars and Stripes*?

Answer. No, sir.

Question. By whom was that vessel constructed?

Answer. I do not know.

Question. With whom did you negotiate for her purchase?

Answer. With Mr. Bushnell.

Question. Did he make any statement to you as to her cost?

Answer. Yes, sir; he said he would not get his money back at \$55,000.

Question. State whether you received any instructions, either from the Secretary of the Navy or any other person connected with the Navy Department or with the government, in reference to the purchasing of that vessel.

Answer. The War Department was employing her, and Commodore Stringham had spoken highly of her. Mr. B. Pook, the naval constructor, had also seen and examined her. She was thought to be a very desirable vessel.

Question. Did any person connected with the Navy Department at Washington City call your attention to that vessel, or suggest that she was a desirable vessel to be purchased for the government?

Answer. No, sir. Mr. Bushnell spoke to me about her, and I wrote to the department about the matter, and spoke to them about her also after Mr. Bushnell brought her to my notice.

Question. If Mr. Bushnell deducted from the price paid by the government, for his expenses in negotiating the sale, can you state any person to whom it was paid?

Answer. No, sir; and I do not believe a dollar was ever paid to anybody. If there was, he stated to me a falsehood.

Question. Was any member of Congress or any ex-member of Congress with you at any time during which Bushnell was negotiating for the sale of the vessel?

Answer. No, sir.

Question. I understand you to say you received from no person in Washington City, or from any person connected with the government, any intimation that the vessel would be a desirable vessel to be purchased for the government?

Answer. I wrote and spoke to the Navy Department about the matter, and they referred the matter of purchase to me. Mr. Bushnell stated to me that his price for the vessel was \$65,000; and he also stated to me that to sell the vessel for \$55,000 would be a loss to him. He complained very much, and made a great deal of talk about it. I saw no other person in connexion with the purchase. The vessel had been highly recommended by the parties I have named, and their opinion is still the same.

Question. Did you visit the locality where the vessel was constructed?

Answer. No, sir.

Question. And except from Mr. Bushnell you had no statement from any person as to the cost of that vessel?

Answer. No, sir; and I never knew anything of her until my attention was called to her. She was about the first vessel I purchased. I grant that the good opinion of the naval constructor, and the statement of Mr. Bushnell, whom I regarded as a man of veracity, though I had not known him much previous to that time, had weight with me.

Question. Where did Commodore Stringham see the vessel?

Answer. At Fortress Monroe.

Question. If any person was employed upon the part of Bushnell, either with a view to approach you upon the subject, or any other person acting upon the part of the government, no knowledge of such a state of things ever came to you?

Answer. Not in the least. On the contrary, I stated to Mr. Bushnell what I stated to every owner at the time of purchase, that no outside persons should have anything to do with it, or receive any pay from the seller.

Question. This statement was made uniformly to every person with whom you dealt, before you ultimately fixed upon the price of the vessel?

Answer. Yes, sir; where the owner resided out of town I always insisted upon ascertaining the authority of the agent to sell her.

Question. If you have any other written authority upon which you have acted in making these purchases, can you produce such authority to the committee?

Answer. Yes, sir; I can on Monday.

Question. Can you state, in round numbers, without holding yourself responsible for the correctness of the statement as to a vessel or two, the number of vessels you have purchased since you furnished the list to which I have referred to the committee?

Answer. I cannot; the number is very small; and yet it is impossible, in the great stress of business, to recollect the number. I will, however, furnish a correct list.

Examination by Mr. Dawes.

Question. Do you know whether the government contemplates purchasing any more vessels to any considerable extent?

Answer. I think they are nearly through. I am completing or about completing my instructions.

Question. Have you any knowledge about the extent of the purchases which have been made east?

Answer. I have not.

Question. Have purchases been made south of New York?

Answer. I think purchases have been made in Philadelphia and Baltimore.

Question. Do you know who made those purchases for the government?

Answer. I do not.

Question. Did you charter the steam-tugs *Yankee* and *Uncle Ben*?

Answer. No, sir.

Question. Do you know who did?

Answer. No, sir.

Question. Or at what price?

Answer. No, sir.

Question. Do you know anything about the expense of running those boats?

Answer. I think the steam-tug *Yankee* has never been in the possession of the Navy Department. I think the charter was made by the direct orders of the President for secret service. I would like to state that nobody has ever received, to my knowledge, one dollar in any way, shape, or manner of the regular seller of the boat, except the brokerage which has been paid to me, and which in no case has exceeded $2\frac{1}{2}$ per cent.

Question. And if anybody has, they have succeeded in keeping it from you?

Answer. Succeeded in making fools of the sellers, for I gave them notice that they were to pay no such money. I might also add that no preference or partiality has been shown, to the best of my knowledge and belief, in any purchases made; that no purchases have been made of a relative or of any one connected with me in any business whatever. I have had nothing to do with making any contracts for the navy, nor with altering, furnishing, or supplying the vessels I have purchased, nor have I had any authority to designate to what ship yard they should be sent for repairs or alterations; nor have I had, nor have I now, any interest, directly or indirectly, with any person concerned in repairing or furnishing supplies to any of those vessels.

GEO. D. MORGAN.

NEW YORK, October 5, 1861.

ADDISON M. BURT, being duly sworn, was examined as follows :

Examination by Mr. Fenton.

Question. Where do you reside?

Answer. In this city.

Question. State your business.

Answer. I am by profession a lawyer, but I am not in business at all. I will qualify that, however, by saying that at the time of the breaking out of this war I was engaged in business in Virginia and North Carolina, and my business is still there, but suspended by the war. At present I am doing nothing. I was engaged in manufacturing in Richmond, and after staying there as long as a good Union man could I left.

Question. Have you recently had anything to do with the sale of a vessel to the government of the United States?

Answer. Yes, sir ; I sold the government the steamship *Santiago de Cuba*.

Question. State about what time the sale was made ; to what parties and at what price?

Answer. The negotiation commenced about six weeks or two months ago, and it was closed about three weeks since. The vessel was sold to the Navy Department for \$200,000.

Question. What person acted as agent for the Navy Department?

Answer. I do not know that any person did exclusively. I dealt with both Mr. Morgan and the Assistant Secretary of the Navy, Captain Fox. My first application was made to Mr. Pook, the naval constructor, who acts with Mr. Morgan ; but I did not know at that time that Mr. Morgan had anything to do with the business. I was acquainted with Mr. Pook, and I made my first application to him in writing, by his direction. When I called upon Mr. Pook to ascertain the result of my written application, he passed me over to Mr. Morgan, who I then, for the first time, ascertained was charged with the business of purchasing vessels for the government.

Question. By whom was the payment made to you?

Answer. It was made by order of the Navy Department, I suppose, in the usual form. It was a printed bill of the sale of the vessel, with an order at the bottom signifying that the navy agent in this city would pay the money for the vessel.

Question. Who is the navy agent?

Answer. Isaac Henderson. On presenting the order to Mr. Henderson he told me he had no money at present ; that the money had to be transferred from the Treasury to the Navy Department, and the result was that I had to wait over a week or ten days before I got the money. Finally, it came in the shape of an order from the Treasurer at Washington in favor of the Navy Department upon, as I understood, Mr. Cisco, the assistant treasurer ; and the bank with whom

we had deposited this certificate or order from the Navy Department passed to our credit the amount of \$200,000. That is all I know about the transaction.

Question. Do you know the amount of the account, as audited at the Treasury Department, or the amount of the draft passed over to the navy agent in this city?

Answer. No, sir; I saw the document, which was apparently the usual document in such cases.

Question. For what sum was it?

Answer. \$200,000. That was the price agreed upon for the vessel, and that was the amount which the owners of the vessel received.

Question. Have you had any correspondence with General Spinner, of the Treasury Department, at Washington, in regard to the payment of this sum?

Answer. I have. After I had waited over a week for the navy agent to pay me the money, I wrote to General Spinner myself. In the first place, I wrote to Captain Fox, stating that I was much disappointed not getting the money, that we wanted it, and that parties were suffering for it. I said I supposed the delay was in consequence of official routine, and that if he could, in any way, expedite official routine in our favor, I would be much obliged to him. I received an answer from the Secretary of the Navy himself, simply saying that warrant for the *Santiago de Cuba* was suspended in the Treasury for want of funds. Upon the strength of that I waited three or four days, and then wrote to General Spinner, and intimated that I did not believe it possible that they had not the money; that they were probably postponing us for other payments; that it was inconvenient for us, and hoped he would strain a point a little and get us the money. The next mail, and before General Spinner could have got my letter, brought the funds, because upon calling upon the navy agent that morning he said that he had received the money and that it was paid over.

Question. Did Mr. Spinner reply to your communication?

Answer. He replied that he had sent forward the funds, but before I got his answer I had received the funds.

Question. Did he say anything about the amount he had sent forward?

Answer. I think it was \$210,500, but the explanation I received of that from the navy agent was, that there was included in that the price of some small schooner, which I had nothing to do with.

Question. Did you state in your letter to General Spinner the amount which was your due?

Answer. I do not recollect.

Question. In his letter did he ask for some explanation of the discrepancy between the amount sent and the amount which was your due?

Answer. He wound up his letter with a request that I would tell him who bought the vessel for the government. My attention also was directed to the difference between the amount due me and the amount of the draft. I told the navy agent that I did not want that amount of money, that I only wanted \$200,000. He said that the

difference was to pay for another small vessel. I received only \$200,000, and that closed the whole transaction.

Question. Did you pay any commission or compensation out of the \$200,000?

Answer. I did not own the ship myself. I acted merely as the agent of the owners, and I received a commission from them.

Question. Who owned the ship?

Answer. It was owned by the Cuba and New York Steamship Company, a corporation formed under the laws of this State. A friend of the company was an intimate personal friend of mine, and through him I became connected with the business. He knew that I was acquainted with some of the officials of the government, and he told me two months ago that they wanted to sell the vessel, and that if I would sell her they would allow me a commission.

Question. What is the commission?

Answer. There is no fixed amount, so far as I can ascertain; and when this negotiation commenced there was no sum agreed upon, and the matter had gone on nearly to completion before we came to an understanding upon that point. He finally gave me five per cent. for selling the vessel.

Question. With whom were you in negotiation for the sale?

Answer. With Mr. Pook and Mr. Morgan. I began my negotiation with Mr. Pook. I did not then know Mr. Morgan at all, and it was not until I called upon Pook the second time that I learned that Morgan had anything to do with purchasing vessels.

Question. Do you know whether or not Mr. Morgan received a commission?

Answer. I do not. I did not pay him any, and I do not believe he did receive any. Still they might have paid him a commission without my knowledge, but my impression is that they did not. He was rather inclined to disclaim the whole transaction.

Question. On what account?

Answer. Because he said he thought the price was too high.

Question. How was that?

Answer. The price was reasonable. She was a better ship than the *Connecticut*, for which the government has just paid \$200,000.

Question. Is five per cent. a high commission for selling the vessel?

Answer. That was the price agreed upon.

Question. Was there any intermediate party between you and the government agent?

Answer. No, sir; I dealt with Captain Fox. My correspondence was with him; but I consulted with Mr. Morgan all along, and he gave me advice from time to time. After the transaction was closed he said he would not have given me that amount of money; that it was a good vessel, but that he thought he could have bought her for less money. I told him he was mistaken in that, and he was, for he could not have bought her for less.

Question. Where is that vessel now?

Answer. Over at the navy yard. She is being fitted up and pierced for eight guns.

NEW YORK, *September 25, 1861.*

EDWARD LUPTON, being duly sworn, was examined as follows :

Examination by Mr. Washburne.

Question. State your residence and the character of your business.

Answer. I reside in Brooklyn, and am a ship-builder.

Question. Have you any connexion with the building of gunboats for the government?

Answer. No, sir; not with any that have been built, but I have a contract for one yet to be built.

Question. What boat?

Answer. I have received no specifications yet. I have authority to proceed as soon as the specifications are received from Washington.

Question. To build her by contract?

Answer. Yes, sir.

Question. What is the amount of the contract?

Answer. \$100,000.

Question. Have you the contract with you?

Answer. No, sir. I made the agreement, and the department has notified me that it has been accepted.

Question. In making your proposals to build the boat, you, of course, specified what was to be done?

Answer. Yes, sir.

Question. What will be the actual cost of building the gunboat which you have agreed to build for \$100,000?

Answer. Well, I suppose if I get through with it by an expenditure of \$90,000 I shall be quite lucky. The prospect is that I shall not. The agreement is to build her for \$100,000, but I really think I ought to have more.

Question. What are the principal items of cost in building such a boat?

Answer. The principal item of expense is in the hull and outfit.

Question. What will be the cost of building the hull by itself?

Answer. Probably from thirty to thirty-five thousand dollars.

Question. How is it to be built?

Answer. It is to be copper-fastened, treenailed, and to be built of white oak, chestnut, and hackmatack.

Question. Within what time is she to be built?

Answer. Within 100 days from the commencement.

Question. When were you notified that your bid had been accepted?

Answer. On Monday morning last.

Question. Does the shortness of the time enhance the price?

Answer. It does to a certain extent, provided the market is full, and we are now troubled about getting men.

Question. How is it now?

Answer. Our business is now overdone. The navy yard has the

greater portion of our men, and they prefer to remain there, rather than to go into private yards.

Question. What is the cost of the engines you propose to put into your boat?

Answer. Some \$40,000. They are asking more for other ships; but that is the price they propose to build the engine for me.

Question. Who is to build it for you?

Answer. Murphey, McCurday & Warden.

Question. Do you know who have the contracts for building the other boats which are to be built here?

Answer. No one yet.

Question. Do you know whether any other contracts are to be given out here?

Answer. None, I believe.

Question. You speak of the hull and equipments being the principal items of expense. What are the equipments?

Answer. Every necessary thing; such as anchors, cables, sails, rigging, chains, lamps, running gear, &c.

Question. What is the tonnage of this boat?

Answer. I cannot say.

Question. What is to be its length?

Answer. 210 feet; she is to be differently built from any boat the government now has; she is to go either way, having a rudder at both ends; she is to be copper-sheathed.

Question. Is that to come above the water line?

Answer. Yes, sir; for protection from worms.

Question. Is there to be any protection from shot?

Answer. No, sir.

Question. You say the actual cost to you will be \$90,000.

Answer. I think I shall be quite lucky if I can get through with that; I must have leeway, as the market is fluctuating all the time; if I get through with that expenditure I make ten per cent.

Question. Is that considered good profit?

Answer. No, sir, it is not; the risk is too large; one ought to have 20 per cent.

Question. What is the risk?

Answer. Ship-building is different from every other kind of business; you have got to transfer the ship from where you build her into the water, and you may meet with accidents which will take off every cent of profit; also the rise in materials may be such as to be worth two-thirds of the value of the vessel; the article of yellow pine is now worth from seventy to ninety dollars a thousand; I never before paid over thirty dollars a thousand.

Question. Are there any paddle-wheel steamers building at the navy yard?

Answer. I do not know but there are two.

Question. What is the power of the engine you are to put into your steamer?

Answer. We do not rate engines here by horse power; we generally rate the power by the area of the cylinder.

Question. Is the engine you are to put into your vessel more powerful than the ones they are to put into the steamers at the navy yard?

Answer. Yes, sir; one-fifth greater.

Question. What will be the difference in cost between the two kinds of engines?

Answer. I get mine built for \$8,000 less than the Navy Department are paying; I get mine built for \$40,000, and they pay \$48,000.

Question. What is the occasion of that difference?

Answer. I do not know.

Question. Is there any reason for it?

Answer. There ought not to be any; the difference ought to be the other way.

Question. Can you give any explanation of the fact that the government pays \$8,000 more than you pay?

Answer. I cannot, except that they did not make so good a bargain.

Question. Who made the contract upon the part of the government?

Answer. I do not know.

Question. Who is building the engines for the boats at the navy yard?

Answer. The Neptune Iron-Works.

Examination by Mr. Holman.

Question. Are the engines of the same character as yours?

Answer. No, sir; the one I propose to build is to be supported by cast iron frames. They are building rather a slight affair—a wooden frame. Theirs is a 44-inch cylinder, with 7-inch stroke; mine is a 48-inch cylinder, with a 7-inch stroke.

Question. Are all these engines built upon the same plan?

Answer. They are all inclined engines, and the principle upon which they are built is the same.

Question. Are there any new inventions or discoveries which are adopted in the construction of one engine which are not adopted in the others?

Answer. We propose to have all they propose to have, and perhaps more. We propose to use Sewell's condenser and Martin's boiler, and a still for making fresh water.

Question. Are these the latest inventions?

Answer. Some call them the latest, and in this instance they appear to be the most popular.

Question. Have they all been fully tested?

Answer. Yes, sir, and they are very good; but there are others equally good.

Question. But you are prepared to say that all these inventions introduced into these engines have been fully tested so as to establish their reliability?

Answer. Yes, sir. As a mechanic I should question the propriety of using the condenser. It is an economical invention, provided it always works well, though there is a loss of power. The engine is supposed to create a vacuum at the opposite end of the cylinder from

where the steam is taken in—that is, the steam is condensed, and consequently a vacuum is formed. In the surface condenser, the constant puffing of steam into a series of tubes keeps it in a constant state of heat, where a perfect vacuum never takes place; whereas in the old-fashioned engine a perfect vacuum always takes place. Notwithstanding that, vessels have worked well with it.

Question. (By Mr. Washburne.) I want to know why it is that you can buy a better engine, and one of one-fifth more power, for \$40,000 while the government pays \$48,000 for theirs?

Answer. I can give no other reason than I have already.

Question. But I believe you said the power of these engines did not vary.

Answer. Yes, sir. They do vary in proportion to the diameter of the cylinder, one being 44 inches and the other 48 inches.

Question. You say you regard all the principles upon which these engines are constructed as having been fairly tested and as working well, except the criticism you have made in relation to this surface condenser, and you say that has worked well practically?

Answer. Yes, sir. There are some advantages in using the surface condensers. You thereby do away with the necessity of using salt water in the boiler, save heat, and save a portion of fuel.

Question. Do you mean you condense the vapor back to water?

Answer. Yes, sir; the steam is turned back to water, and at a high state of heat is pumped back into the boiler. I built a vessel for the government some years ago, and had I not understood this surface condenser very well we should have had trouble with it; but it turned out well and proved a perfect success.

Question. (By Mr. Fenton.) In your judgment, are you paying a fair price for this engine?

Answer. Yes, sir.

Question. Could you procure more at the same price?

Answer. Yes, sir.

Question. And your engine is in some respect more expensive than the ones which are being built for the government?

Answer. Yes, sir; for instance, the iron frame work.

Question. Who are the proprietors of the Neptune Iron-Works?

Answer. Boardman & Holbrook are the principal representatives of the firm. Joseph Belknap is the managing engineer.

Question. Who makes the contracts for the firm?

Answer. Mr. Boardman.

NEW YORK, September 25, 1861.

JACOB S. WARDEN, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and place of business.

Answer. I reside in this city, at 384 Washington street. I am an

engineer and boiler maker, and Nos. 74 and 76 Beach street is my place of business.

Question. Are you manufacturing any engines for the government?

Answer. No, sir.

Question. Have you made any engine for any steam vessel which the government has contracted for?

Answer. No, sir.

Question. Are you acquainted with the kind of engines which are being built for the government gunboats?

Answer. Yes, sir; I think the engines which are being built are of the right kind.

Question. Do you know what kind of a contract Mr. Lupton has for building a gunboat for the government?

Answer. I do not know that he has any contract.

Question. Have you been aware that he has been in negotiation for a contract?

Answer. Yes, sir.

Question. Are you aware of the kind of engine which is required for the boat you supposed he was negotiating for?

Answer. Yes, sir.

Question. What will be the value of such an engine?

Answer. I gave Mr. Lupton an estimate upon such an engine as he required; I told him it would not cost to exceed forty or forty-two thousand dollars.

Question. Did you contract with him to build it?

Answer. No, sir.

Question. Do you know anything about the kind of engines which the government proposes to put into its steamers which are being built at the navy yard here?

Answer. Yes, sir; I believe they are the single inclined engine.

Question. What can they be built for?

Answer. I should like very well to have the job of building them for \$40,000.

Question. Do you know anything in relation to the contract which the Neptune Iron-Works have for building the engines for those paddle-wheel steamers?

Answer. I know they are building engines, but I do not know upon what terms.

Question. What kind of engines are they building?

Answer. Inclined single engines.

Question. What is their value?

Answer. The whole arrangement is going to be pretty expensive, taking the surface condensers and other extras into consideration. I understand they get \$48,000 each for them.

Question. What is your opinion as to that price?

Answer. I think it is a very good price.

Question. Do you think it a very extravagant price?

Answer. I do.

Question. Do you know the reasons which led to a contract being made with the Neptune Iron-Works at that price?

Answer. I do not.

Question. Were any proposals ever invited from you?

Answer. No, sir.

Question. Were proposals invited from anybody?

Answer. Not that I know of.

Question. Would you have put in proposals if you had been invited?

Answer. Yes, sir; and would have been glad to have done so.

Question. Do you know the reason why a contract was made with the Neptune Iron-Works, without any advertisement for proposals?

Answer. I do not.

Question. From your knowledge of the kind of engines which are being made by the Neptune Iron-Works for those paddle-wheel steamers, what would your firm have built them for?

Answer. For a sum not exceeding \$42,000.

Question. And they get \$48,000?

Answer. So I understand, but I do not know.

Question. Are there any reasons why the government should contract with that firm, without advertisement, to the exclusion of other firms?

Answer. I know of none. The superintendent of that concern is a very clever engineer.

Question. Are there any clever engineers in other firms which build engines?

Answer. Yes, sir.

Question. Would the government pay a bonus of six or eight thousand dollars for a clever engineer?

Answer. It has been done.

Question. In what case?

Answer. I understand that at the time Mr. Belknap, of the Neptune Works, was in business, he had the preference over almost everybody else.

Question. What was the reason of that preference?

Answer. I think at that time he built an engine superior to that of any other shop in New York.

Question. Do the works now build a superior engine?

Answer. I think they do.

Question. Do they build an engine superior to what you do.

Answer. I will say equally as good.

Question. Then I understand you to say that you build an engine just as good as the ones they are building for these paddle-wheel steamers for \$42,000, while they get \$48,000?

Answer. I do; I think there is no doubt about it.

Question. Can you, then, tell why the government should pay that additional amount?

Answer. I cannot.

Question. Can you give the firm name of the Neptune Iron-Works?

Answer. Boardman, Holbrook & Co. is the firm name.

Question. Where do they reside?

Answer. I believe they all reside in this city.

Question. Has the government been in the habit of asking for proposals from different manufacturers of engines?

Answer. I believe for the propeller gunboats they sent for proposals from most of the manufacturers in New York.

Question. But not for the paddle-wheel steamers?

Answer. I believe not.

Question. Have the Neptune Works a contract for the engines for all of those steamers?

Answer. No, sir; I think for only one.

Question. Who have contracts for the others?

Answer. The Morgan Iron-Works build one, and the Novelty Works one.

Question. At the same price?

Answer. I cannot say.

Question. How many propellers is the government now building at this point?

Answer. They are building only gunboats.

Question. How many gunboats are they building?

Answer. I understand there are five being built at the Novelty Works; three at the Morgan Works, and one at the Allaire Works.

Question. How many side-wheel boats are being built in this city?

Answer. Only three, I understand, and those at the navy yard.

Question. For the vessels being built at the navy yard, the engines are constructed by the machinists of this city?

Answer. Yes, sir.

Question. Do you know what the practice of the government was, five, six, or seven years ago, in reference to advertising for proposals for the construction of vessels, or engines, or parts of engines, where they were being constructed away from the navy yard?

Answer. I cannot say. I have been in business for myself but a few years, and when I was acting for other parties I did not interest myself about that matter.

Question. How many of these side-wheel steamers are being built in New York?

Answer. Three.

Question. Where are the others to be built?

Answer. I do not know.

Question. Is it a side-wheel boat you are proposing to build an engine for?

Answer. Yes, sir.

Question. What is your opinion as to whether all the principles which enter into the construction of these engines have been thoroughly tested or not?

Answer. The principle is right in all of them.

Question. You have no doubt about this surface condenser operating well?

Answer. I have not; I think it will work very well.

Question. Do you know anything about the hulls into which they propose to put these engines?

Answer. I saw one of them at the navy yard, and it is very strong.

Question. What kind of a frame is to be put up to support the engines?

Answer. I understand they are to be wooden frames.

Question. Is that such a frame as should be put up?

Answer. It can be made strong, but it is not very neat.

Question. Is it as good and as serviceable as an iron frame?

Answer. Yes, sir; it is pretty much a matter of taste.

NEW YORK, *September 4, 1861.*

HENRY P. GARDNER, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State your business, and the place where it is carried on.

Answer. I carry on the ship-chandlery business at No. 50 West street, in this city.

Question. State to the committee what information you have with reference to supplies connected with the commissary department which have been furnished to the government by any person in this city since the breaking out of the present national difficulties.

Answer. I cannot tell the committee what supplies have been furnished. I furnished some supplies, and my own books would be an answer so far as to tell what I have supplied. I cannot tell from recollection, they have been furnished in so scattering a manner.

Question. State what knowledge you have of supplies furnished by Page & Immin, doing business at No. 50 John street.

Answer. I cannot; but I can name persons who can give the information, both as to price and quantity.

Question. State, in the first place, what information you have as to such supplies having been furnished by them.

Answer. I can name witnesses who can give the information.

Question. What do you understand to have been the character of the supplies furnished by them, and upon whose order?

Answer. They have furnished everything, I was going to say, from a needle to a gun ship's anchor—everything in the ship-chandlery line.

Question. By whose order do you understand those articles were furnished?

Answer. By the order of Captain William A. Howard.

Question. In what relation at that time did Howard stand to the government?

Answer. He signed his name as senior captain of the revenue service.

Question. In what business was the firm of Page & Immin engaged?

Answer. That is more than I can tell. Mr. Page was originally, in Brooklyn, a dealer in kerosene oil, and perhaps oils of other kinds, but he never was a ship-chandler. I use the word "ship-chandler" for a specific purpose. They have no ship-chandlery establishment—nothing but a rear office.

Question. They are, then, in no sense ship-chandlers?

Answer. No, sir.

Question. And that firm furnished the articles you referred to, and which properly and legitimately belong to the ship-chandlery business?

Answer. Yes, sir.

Question. What relation do you understand is occupied by Captain Howard to either member of that firm?

Answer. He is brother-in-law to Page, I understand.

Question. From what parties have you obtained information upon this subject?

Answer. That is a confidential matter, and I cannot answer your question unless you enforce an answer.

Question. Do you know of any persons, residents of this city, who are probably familiar with the transactions to which you have referred in reference to furnishing these articles to the government?

Answer. Only the persons whom I should wish to have called as witnesses in this matter.

Question. Who are they?

Answer. J. W. Hunter, second auditor at the custom-house; Captain Francis Martin, then commander of the revenue steamer "Bibb," now of the steamer "Corwin;" John J. Rowen, now in the auditor's office, and who is Mr. Hunter's chief clerk; and J. W. Wilson, in command of the revenue cutter "Agassiz."

Question. All these persons you presume have become familiar with these transactions from their connexion with their respective offices?

Answer. Yes, sir.

Question. Are you informed of the probable amount in value of the articles furnished?

Answer. Only by hearsay.

Question. That is what I want to know.

Answer. Something like \$28,000 in gross.

Question. Are you informed of the manner in which Page & Immin furnish those articles, that is to say, whether they supply them themselves, or sub-let contracts for furnishing them?

Answer. There is a line in a letter which I addressed to Mr. Van Wyck, the chairman of this committee, which may be subject to misconstruction. I wish to clear my own skirts and justify myself. My letter was not designed as a complaint, but simply as an act of justice. I was promised the business of supplying ship-chandlery stores by Captain William A. Howard, who signed himself senior captain of the revenue service. I have been engaged in the ship-chandlery business for twenty years, since 1840. Orders for rope, which is certainly a legitimate article of ship-chandlery, paints, oils, spirits of turpentine, thimbles, chains, and everything, in fact, which constitute ship-chandlery, were, after a certain date, sent to Page & Immin. I was in the custom-house one day, and I said to Captain Howard, "you promised me that I should furnish the ship-chandlery. It was unsolicited upon my part." Said he "do you want the skin as well as the cat?" "No," I said, "I do not want the *skin*, particularly, but I want the *cat*." Since then there has been a coldness.

Question. How did you understand those remarks?

Answer. I understood that somebody else had a preference. Requi-

sitions afterwards came down to me with articles which really belonged to me crossed off, and for which, I learned afterwards, a high price was paid. I would name, for instance, boatswain's calls. I had provided some of those, and I had also provided other materials under an order which was subsequently countermanded, and then sent to Page & Immin. I would mention, for instance, some chairs, which I have now taken up to my own house, and which I did not feel that I could afford.

Question. You did not furnish them.

Answer. I did not, though I had the assurance of Captain Howard that I should furnish them, and had prepared myself to do so.

Question. And Page & Immin supplied those articles.

Answer. Yes, sir.

Question. At what prices had you been furnishing, and at what prices were you willing to furnish, all the articles in the line of your business?

Answer. I was furnishing, and would have continued to furnish them at the same prices at which I furnished them to merchant vessels at the time. I made that promise to the collector's representative, Mr. Ogden, first auditor of the custom-house.

Question. Were you at all times prepared to furnish those articles?

Answer. I was, and am still.

Question. State your information as to whether the articles, as ultimately furnished by other parties, either Page & Immin, or others, to Captain Howard, were furnished at the same prices at which you were prepared to furnish them, and whether they were of the same quality.

Answer. I cannot answer that question directly. I can answer in this way: I was interrogated at the custom-house by the second auditor as to what I charged for one article and what I charged for another and another. I gave my prices, and they were prices which I had been charging all along before. And I would say, further, that the second auditor folded up some bills which he had before him, with the remark that those bills would not do.

Question. Did you see any bills but your own?

Answer. Yes.

Question. Under what circumstances did you see them?

Answer. They were put down upon the desk before me, and I was asked to receipt some bills. After I had receipted some bills of my own, the other bills were turned over, and I saw them.

Examination by Mr. Dawes.

Question. Were the articles furnished under your own bills of a character similar to those furnished by them?

Answer. I am not able to say. I think they may have been.

Question. About what time were these articles furnished by Page & Immin, and during what time?

Answer. According to the best of my recollection, I should say from the first of May up to the present time.

Question. In what manner were those bills adjusted?

Answer. I do not know, of my own knowledge. So far as I know, the requisitions, approved by Captain Howard, are filled out as to price, and then sent to Washington for approval. After being approved there, and sent back here, the articles are authorized to be furnished; although I have many times filled requisitions before they have been sent to Washington, and Captain Howard has borne me out in it.

Question. What do you know of boats having been supplied to the government for revenue purposes through Captain Howard, and when were they furnished, and where?

Answer. As to the time, I cannot answer; as to place, I can. Captain Francis Martin can testify as to the furnishing of boats by one Mr. Douglas, of Sag Harbor.

Question. Who is Mr. Douglas?

Answer. I believe he is a brother-in-law of Captain Howard.

Question. How many boats were furnished, and were they chartered by the government for revenue purposes?

Answer. The boats I refer to were simply small boats to be attached to revenue cutters.

Question. Have you any information as to whether the prices at which they were furnished were fair business prices?

Answer. None except from hearsay.

Question. What information have you as to the time when these boats were furnished?

Answer. Within the time I have already mentioned.

Question. How long has Captain Howard occupied the position he now occupies?

Answer. I cannot tell.

Question. More than a year?

Answer. No, sir; less than a year.

Question. What officer of the government had connexion with the furnishing of these revenue boats?

Answer. None that I know of, except Captain Howard.

Question. Who adjusted the accounts?

Answer. I suppose Captain Howard did.

Question. Who paid for them?

Answer. I am not certain that they have been paid for. If anybody paid for them, I suppose it was done at the Treasury Department.

Question. What connexion had Captain Martin with these boats?

Answer. He received the boats. He is now in command of the revenue cutter "Corwin."

Question. Did any other person, or any other officer, have anything to do with receiving those boats?

Answer. I do not know.

Question. Who knows the value of those boats and the prices at which they were furnished?

Answer. I think J. Wall Wilson does. I know of no one else.

Question. What other relative of Captain Howard do you know of that has been furnishing supplies to the government?

Answer. No one. One Dr. McClellan, a surgeon in the army, I believe, has furnished some supplies.

Question. What kind of supplies did he furnish?

Answer. I do not know.

Question. Where was he at the time he furnished supplies?

Answer. I do not know.

Question. In what manner have these same articles been furnished heretofore?

Answer. Up to the 30th June, 1860, I had a contract with the Treasury Department, or rather with Augustus Schell, the collector, to furnish them at a fixed price.

Question. How was that contract obtained?

Answer. Under advertisement.

Question. Was it given to the lowest bidder?

Answer. Yes, sir.

Question. How long previous to that time had you the contract?

Answer. For one year.

Question. What had been the custom previous to that year?

Answer. To advertise for proposals from year to year.

Question. In what manner were those supplies furnished during the last fiscal year?

Answer. Under an understanding between the First Auditor, the Second Auditor, and myself, with the consent of the collector, that the contract of the previous year, as to prices, should continue. That arrangement expired on the 30th of June, 1861.

Question. Is there any such difficulty growing out of the nature of the service, or in the character of the supplies furnished, as to render it impracticable to continue the method of obtaining supplies by contract made after advertisement?

Answer. I think there might be as to naval stores. There is already such an appreciation of price and the prospect of a still further advance, that scarcely any one would be willing to undertake to furnish at a given price what might be required by the service for the year, unless the price was a high one.

Question. Is there any difficulty in the way of the officers whose duty it is to procure the supplies going into the open market and purchasing them at a fair market price?

Answer. None, provided the cash is forthcoming.

Question. Was there anything in the exigency of the service that rendered it difficult to procure those supplies in the ordinary way during the time you have mentioned here?

Answer. None.

Question. Do you know where and whence Page & Immin obtained the supplies?

Answer. No, sir; except as to a limited quantity of them. As far as I know they bought at second hand.

Question. Had those gentlemen ever before been connected in any shape with the supplying of the revenue service?

Answer. Never, to my knowledge.

Question. Had the revenue service ever before, to your knowledge, been supplied with these articles except through the regular trade?

Answer. Never.

Question. Do ship-chandlers generally furnish all ships?

Answer. Yes, sir; with the exception of provisions and sails.

NEW YORK, *September 4*, 1861.

JOHN J. ROWAN, being duly sworn, was examined, as follows:

Examination by Mr. Dawes.

Question. What is your business?

Answer. I am an examiner of accounts in the custom-house.

Question. In what manner heretofore has the revenue service been supplied?

Answer. Generally by contract during the three years I have been in the custom-house.

Question. Contracts entered into in what manner?

Answer. After advertisement for proposals.

Question. Are the contracts given to the lowest bidder?

Answer. I believe so.

Question. Do the contracts specify certain articles at certain rates for a given time?

Answer. Yes, sir; for one year.

Question. Has there been any change lately in the manner of supplying the revenue service?

Answer. I think the service has not been supplied by contract for some time past. It seems to me that the contract expired some time ago. Mr. Gardner used to supply the service by contract.

Question. Who now furnish the articles required?

Answer. Messrs. Page & Immin furnish most of them. Gardner has furnished some lately.

Question. Since the first of May last, what proportion of the supplies has Page & Immin furnished?

Answer. I should think fully two-thirds

Question. Have Page & Immin furnished them under contract, or have they set their own prices at the time?

Answer. They have sent in the requisitions setting out the prices, and those requisitions or bills have been sent on to the department at Washington.

Question. What do you mean by sending in a requisition?

Answer. Requisitions come from the captain of a vessel to the ship-chandler.

Question. Are Page & Immin ship-chandlers?

Answer. I cannot say.

Question. Do you mean that the captain of a vessel requires Page & Immin to furnish certain articles, and they accordingly furnish the articles and send the requisition, with a bill, to your department?

Answer. Yes, sir.

Question. Who determines whether the captain of a vessel shall send to this company or to another company, or whether the articles shall be purchased in the market generally?

Answer. I cannot say. The bills are approved by Captain Howard.

Question. Do the requisitions of Page & Immin, and the bills which

Page & Immin furnish in accordance with the requisitions, all pass the inspection of Captain Howard?

Answer. I cannot say.

Question. Why are the requisitions signed by Captain Howard, as senior captain of the revenue service?

Answer. Because that is his position.

Question. What do you have to do with the requisitions when they come to you?

Answer. See that they are correct; that the amounts are carried out according to the price.

Question. Who determines the question of price?

Answer. I suppose the gentleman of whom the articles are purchased and the man who purchases them.

Question. You do not know who determines the price, nor the person or persons from whom the articles shall be purchased?

Answer. I do not. I suppose, however, Captain Howard is the man.

Question. Are you able to give the committee any comparison of the prices of the articles furnished by Page & Immin, and the prices of similar articles furnished under contract heretofore?

Answer. I cannot, without reference to the bills.

Question. Have you any general knowledge upon the subject?

Answer. I do not think such a comparison would be fair, because when the contracts were made, I think, gentlemen who put in bids attached a merely nominal price to some articles and a very large price to others.

Question. How do the prices compare?

Answer. I do not know. It would be merely an estimate upon my part to undertake to answer your question. There are some articles for which a higher price is charged now than was charged under the contract system.

Question. Has there been any difficulty in the department in reference to the passing those accounts on account of the prices?

Answer. When I called the attention of Mr. Hunter, the assistant auditor, to one article, cylinder flannel, which was put down at 75 cents a yard, he asked me if I knew how it was purchased. I told him I did not, but that I believed the price was higher than Gardner had charged.

Question. Do you know how much higher?

Answer. I do not; but I think it was considerable. He called Captain Howard's attention to it, and Captain Howard said the article could not be bought this side of England.

Question. Did he intimate that in that respect the department was laboring under any difficulty, which it had not before experienced?

Answer. No, sir.

Question. Is that any reason, then, why the article should cost any more than when furnished by Gardner?

Answer. I concluded that the other was not the genuine cylinder flannel, and was not very valuable.

Question. Do you recollect how much Gardner charged for it per yard?

Answer. I think it was 30 cents.

Question. Do you know any other person, besides Gardner, who has been a contractor for furnishing these ship-chandlery supplies?

Answer. No, sir; not since I have been in the custom-house.

Question. How long has Page & Immin had the furnishing of these articles?

Answer. Since some time in April or May of this year.

Examination by Mr. Holman.

Question. Have you stated the reason why the government has abandoned the old practice of letting out the contracts for regular periods to the lowest bidders, after advertisement?

Answer. I do not. That matter does not come within my province. Whether it was done through the collector, and because they could get the articles cheaper, I do not know.

Question. From your experience in this department of business, what is your judgment as to whether it is better for the government to enter into contract for those supplies, or to give the job out to those who fix their own prices?

Answer. I should think competition would tend to lower the price, and therefore that the contract system would be preferable.

Question. Have you heard the subject referred to, why the government abandoned the old practice?

Answer. No, sir; not by those having authority to speak upon the subject.

Question. Have you not heard the opinion expressed that the government was not as well dealt by as when the old system prevailed?

Answer. I think I have heard the auditor and the assistant auditor speak of certain articles being furnished at a high price.

Question. Were you understood to say that all that was done in your department was to see that the figures and calculations were correct?

Answer. Yes, sir.

Question. But you have nothing at all to do with fixing the price

Answer. Nothing.

Question. State what business Page & Immin have been in since the first of May last.

Answer. I do not know.

Question. Are they ship-chandlers?

Answer. I have heard that they are not.

Question. Are all the articles you have referred to, as furnished by them, ordinarily kept and furnished by ship-chandlers?

Answer. I should think the greater part of them are.

Question. State the reason why Captain Howard should make requisitions upon that firm, they not being ship-chandlers, to furnish those articles.

Answer. I do not know the reason.

Question. Have you heard any reason assigned for it?

Answer. I have not.

Question. What relation does Captain Howard stand in to any member of that firm?

Answer. I have heard that he was brother-in-law to one member of the firm.

Question. This city has a large number of men engaged in the business of ship-chandlery, ready to answer any requisitions upon them at the ordinary prices prevailing in the market?

Answer. I should suppose so.

Question. Has the government ever had any difficulty in obtaining articles at a fair price under the old system of competition?

Answer. I cannot say that they ever had.

Question. Do you know of any barrier between Senior Captain Howard and the government against improvident contracts resulting from favoritism?

Answer. I cannot say. His bills are handed in, and come to me for examination. I make out the estimates, sum them up, make a duplicate, and hand back the bill with the estimate, and they are sent on to the department at Washington for approval.

Question. State the amount of supplies furnished to the government by Page & Immin, in the manner you have mentioned, since last May.

Answer. I should think the amount would be from ten to fifteen thousand dollars. It may possibly exceed that.

Question. Have the supplies been greater since the beginning of May than ordinarily has been the case during a corresponding period heretofore?

Answer. Yes, sir; there have been several more vessels here during that period than there were before. Usually there has been only one or two cutters upon this station; now there are seven or eight.

Question. Are the supplies for all those vessels furnished by Page & Immin?

Answer. Mostly, I believe. The requisitions for these different vessels are approved by the senior captain.

Question. The reason that these orders are signed by Captain Howard, as senior captain, is that, as senior captain, he has command of the vessels engaged in the revenue service in and about the harbor of New York?

Answer. I suppose so.

Question. Do you think that the supplies for all those vessels, since last May, will exceed \$15,000?

Answer. It is possible.

Question. Since Page & Immin commenced furnishing articles of this kind upon requisitions, have they been furnished by any other persons?

Answer. I do not think they have been, except an occasional bill by Gardner; there have been two or three requisitions upon him.

Question. Who ordered the articles which Gardner furnished?

Answer. I do not know.

Question. Were the requisitions approved by Captain Howard?

Answer. I think I handed one to Captain Howard to approve this morning. He saw Mr. Hunter's name to it, and he said it was not necessary to have his.

Question. Are you acquainted with Henry P. Gardner?

Answer. No, sir, only as he has come to the office occasionally.

Question. How long has he been supplying the government with ship-chandlery since you have been in the custom-house?

Answer. He was the principal one, if not the only one, up to last spring.

Question. Was he always able to fill such requisitions as were made upon him?

Answer. I think he was; I think he had a contract for one or more years. After it ran out he agreed to continue to furnish the articles at the contract prices.

Question. Have you heard any complaint of the high prices at which articles are furnished?

Answer. I do not know that I have, particularly. I have spoken of the price of several articles on different occasions, because I thought they were higher than Gardner charged.

Question. Did you know Page & Immin, before the month of May last, as engaged in this business?

Answer. I did not.

NEW YORK, *September 4, 1861.*

JOHN W. HUNTER, being duly sworn, was examined, as follows:

Examination by Mr. Holman.

Question. State your employment under the government, and the place where your business is carried on.

Answer. I am assistant auditor at the custom-house in this city.

Question. What connexion have you with articles furnished for the use of ships employed in the marine service?

Answer. No further than what arises out of the payment of the bills?

Question. In what manner were such articles furnished prior to the 1st day of last May.

Answer. The same as now.

Question. What had been the previous policy of furnishing such articles—by contract or advertisement?

Answer. It had been the policy and practice for many years to furnish the necessary articles, under contract, for one year at a time. Competition was invited and the contract was given to the lowest bidder. That practice fell into disuse years ago, so far as articles of ship-chandlery are concerned.

Question. Who was furnishing these articles for the use of the marine vessels at this port prior to the first day of May last?

Answer. Any one who was designated to do so.

Question. Designated by whom?

Answer. By the collector of the port.

Question. Who had been designated by the collector to furnish such articles for a year prior to the first of May last?

Answer. I may state here that a Mr. Gardner had the last contract which was made; but as the contract was not renewed, the purchases were continued from him up to, perhaps, within two or three months ago.

Question. Prior to the first of May, then, those articles had been

furnished by Mr. Gardner, he having had the last contract which was made?

Answer. Yes, sir.

Question. And at the prices of his old contract?

Answer. In the main they were, but yet they were not bound by the contract price. The articles might vary in value, but the idea of the change was, that they might be purchased as well in open market as under contract.

Question. Is Gardner a regular ship-chandler?

Answer. Yes, sir.

Question. And able to furnish those articles when wanted?

Answer. Yes, sir.

Question. State whether the amount of such articles required has increased since the first of May.

Answer. Very much, in consequence of the large number of revenue cutters which have been fitted out here for special purposes.

Question. Have you had any reason to suppose that the ship-chandlers of this city were not able to furnish these articles in the quantities required?

Answer. No, sir. I know Gardner could have furnished everything, as could also many other ship-chandlers, and they would have been willing to have done so at the market price.

Question. If the collector of the port has not designated any person on whom the requisitions for such articles should be made, state who else, in the absence of such appointment, would make the requisitions, and upon whom. What has been the habit in that matter since the first of May last?

Answer. The requisitions are always made by the captain of the cutters. That requisition is approved by the collector, and the articles are furnished. Some two or three months ago Captain Howard was sent here with extraordinary powers to fit out a number of cutters for various points, which required a large supply of these articles.

Question. In the exercise of the extraordinary powers which Captain Howard seemed to possess, upon whom did he make his requisitions for ship-chandlery supplies?

Answer. At first a few articles were furnished by Mr. Gardner, but that soon ceased, and Page & Immins furnished them.

Question. Were they engaged in the ship-chandlery business?

Answer. I do not know. I have understood that they were not. We were directed by the Secretary of the Treasury to pay such bills upon the approval of Captain Howard.

Question. What cause was there for making such requisitions upon firm if they were not ship-chandlers?

Answer. I do not know. I do not say they were not ship-chandlers.

Question. If they were not, what motive could Captain Howard have had in designating them?

Answer. We do not know of any.

Question. What proportion of the articles which have been furnished since Page & Immins commenced furnishing them have been furnished by them?

Answer. Nearly all.

Question. What would the aggregate amount be?

Answer. I can hardly tell without looking at the books. It might be \$15,000 or \$20,000.

Question. Have you had occasion, in adjusting these accounts, to observe the charges made by the regular ship-chandler who had heretofore furnished the supplies, and have you had the same occasion to examine the prices of articles of a similar character furnished under the new requisitions?

Answer. The same parties, as auditor and assistant auditor, have had charge of the accounts a number of years, under different collectors, and they have naturally felt a desire for the safety of the collector in the settling of his accounts with the Treasury Department, and they have been in the habit of comparing these bills with the bills of former purchases. We have found the price of many articles increased.

Question. What percentage of increase?

Answer. I could not give any idea of that without a comparison of the bills.

Question. Could those articles still have been furnished at about the same price as formerly by a ship-chandler?

Answer. Certainly.

Question. State what officer of the government now fixes the price upon the requisitions made by Captain Howard.

Answer. No officer of the government fixes the price. The requisition is drawn up, specifying the articles which are needed. That requisition is approved by the collector. It is then taken to the person who furnishes the articles, and he carries out the price on the requisition. The requisition is then submitted to the Treasury Department.

Question. Have the bills made upon the requisitions of Captain Howard been submitted to the Treasury Department?

Answer. Yes, sir; all of them.

Question. Was the department, in adjusting and approving the accounts, aware of the manner in which the articles were furnished?

Answer. I do not know; I presume they were.

Question. Based upon your knowledge of the advantages, if any, which result from furnishing these articles upon contract with a regular ship-chandler, and also upon your knowledge of the manner in which supplies have been furnished upon the requisitions of the senior captain by any person he thinks proper to designate, what is your opinion as to the most favorable mode to the government?

Answer. I am in favor of the contract system. I think it is the fairest way, unless unusual discretion is used in purchasing in the open market.

Question. How long since Captain Howard came here, and where did he come from?

Answer. I think he came here about the first of May or the latter part of April. I do not know where he came from.

Question. Had he any relation to the firm of Page & Immin, or any relation with either of them?

Answer. I do not know.

Question. Can you state any reason for his making these requisitions?

tions upon persons not engaged in the ship-chandlery business—if these persons were not—instead of upon persons regularly employed in that business?

Answer. No, sir.

Question. Can you state any article the supply of which, by the comparison you have referred to, appears to have largely increased over and above that which had formerly been furnished by a regular ship-chandler?

Answer. I think my attention was more particularly called to the article of paint than to any other.

Question. State the difference in the accounts of that article.

Answer. I cannot, except by a comparison of the bills.

Question. What is your recollection upon that point?

Answer. I could hardly venture a recollection upon the subject.

Question. What is the annual amount of the expenditures of the government here for those articles?

Answer. Under the present extraordinary circumstances they may amount to \$100,000 a year.

Question. Suppose the expense of the government for the current year amounts to \$100,000, what would be the saving to the government from pursuing the former mode of purchasing from regular dealers rather than purchasing in the manner they have purchased since the supplies were furnished by Page & Immin?

Answer. I cannot form any idea; that would depend upon the man who made the purchases; and, again, the articles might rise in value, and the old contractor might charge more.

Question. But I am basing my question upon the hypothesis that the value remains the same.

Answer. I cannot answer the question definitely.

Question. What would it amount to by a rough comparison based upon recollection?

Answer. I cannot tell.

Question. Would the saving be a large one or a small one?

Answer. I could not give an answer without comparing all the bills.

Question. As far as you made the comparison did you find that most of the articles furnished by Page & Immin were furnished at a higher price than the corresponding articles furnished previously by the regular dealer?

Answer. I think some few of the articles were. On the presumption that you make, that they are not regular dealers, of course the price would be higher, as they must buy of regular dealers, and then charge their own profit.

Question. What article except paint is charged higher?

Answer. I do not remember.

Question. By whom is the price fixed?

Answer. It should be fixed between the purchaser and the seller.

Question. Who does fix the price?

Answer. The seller fixes the price at which he will sell the articles.

Question. Has any person except the person upon whom the requisition was made had anything to do with fixing the price of any one of these articles since the first of May?

Answer. No one except Captain Howard.

Question. Have you heard of his negotiating the price of any article?

Answer. No, sir ; but I suppose he would do so.

Question. Has there been any complaint upon the part of the department at the price of the articles furnished by Page & Immin?

Answer. Not that I know of.

Question. The whole responsibility then for the character of these contracts rests upon Captain Howard?

Answer. Yes, sir.

Question. And upon no other officer of the government?

Answer. And the captains of the cutters ; but they do nothing about the price. The price is a mere question between Captain Howard and the party who furnishes the articles.

Question. And one member of that firm is a relative?

Answer. I have heard so.

Question. Have you heard in the course of your business, or otherwise, that Page & Immin were ship-chandlers?

Answer. I have not.

J. W. HUNTER.

NEW YORK, *September 5* 1861.

J. WALL WILSON, being duly sworn, was examined, as follows :

Examination by Mr. Washburne.

Question. Please state to the committee the character of your business and your residence.

Answer. I am a lieutenant in the United States revenue service, now stationed in this city.

Question. State whether, at any time during this year, you have made a purchase of any boats for the use of the revenue service of the United States ; and if so, upon what terms.

Answer. I have made no purchase of boats, but I have received some.

Question. From whom?

Answer. The boats were made at Sag Harbor, and by order were sent to me ; but the bills were sent to Captain Howard.

Question. By whom?

Answer. I do not remember the individuals name.

Question. Are you in command of a United States revenue cutter?

Answer. I am. The boats were sent to my care by Senior Captain Howard. I was ordered to receive them, and to distribute them as ordered.

Question. Do you know who made them, and at what price?

Answer. I do not.

Question. By whom were they purchased?

Answer. I suppose by Captain Howard.

Question. Where is he now?

Answer. His office is at No. 240 Broadway.

Question. What revenue cutter do you command?

Answer. The "Agassiz;" she is a sailing vessel, and receives the men who are shipped from us upon other vessels.

Question. How long have you been in the revenue service?

Answer. Four years.

Question. In what manner has your boat usually been furnished with supplies?

Answer. With provisions, under contract. The men supply themselves with clothing.

Question. I refer to the ordinary ship-chandlery supplies?

Answer. By contract, I believe.

Question. With whom have you been dealing heretofore?

Answer. With Henry P. Gardner, in South street, and with Leggett & Son, in Front street.

Question. Under a contract, or by open purchase?

Answer. By contract.

Question. Are Leggett & Son regular ship-chandlers?

Answer. Leggett & Son are provision dealers, and Gardner is a ship-chandler.

Question. Are you supplied in that way now?

Answer. No, sir; we are now supplied by Page & Immin, in John street.

Question. What is their business?

Answer. I do not know certainly what their business is, but I believe it is to supply vessels. I only know that they have their office in John street.

Question. Have you ever been at their store?

Answer. No, sir; we sent our orders there, as we were ordered to do.

Question. Do you know what reason induced a change from the contract system to an open purchase of Page & Immin?

Answer. I do not.

Question. By whose direction did you send your orders to that firm?

Answer. By direction of Captain Howard, senior captain in the service.

Question. Are you all under his direction?

Answer. Yes, sir.

Question. Is he the highest man in rank in the revenue marine service?

Answer. Yes, sir.

Question. And all other officers in the service are subject to his command and control in matters of that kind?

Answer. I so understand it; he has lately been appointed; he was in the service before, but resigned; he was reappointed by President Lincoln and placed at the head of the list, where he would have been had he remained in the service all the time.

Question. Were you in the service when he resigned?

Answer. No, sir.

Question. How long was he out of the service?

Answer. I do not know.

Question. Do you know whether any relation exists between him and Page & Immin?

Answer. I believe there is some relation between him and one of the firm.

Question. What is it?

Answer. I believe he is brother-in-law to Page.

Question. Have you any knowledge of the prices of the articles which are furnished?

Answer. I have looked at the prices.

Question. How do the prices of the articles furnished by Gardner and by Leggett & Son, under contract, compare with the prices of the same articles furnished by Page & Immin?

Answer. I think they compare favorably.

Question. Do you think the articles furnished by Page & Immin are as cheap?

Answer. The articles furnished by Gardner were furnished mostly before our present troubles commenced; since that time, I think, there has been some slight advance in the price of the articles furnished.

Question. What are the articles you use the most of?

Answer. My vessel being a receiving ship, we use more provisions than anything else.

Question. But they were not furnished by Page & Immin?

Answer. They are furnished by Leggett & Son, who have a regular contract for the supply of rations.

Question. Were the articles furnished by Gardner ship-chandlery stores?

Answer. Yes, sir.

Question. Did you make any purchases of Page & Immin of pork, flour, and such other things as come under the name of rations?

Answer. No, sir; but only of ship-chandlery stores; I understood that Gardner was to supply ship-chandlery, but when I brought in my requisitions I was ordered to go to Page & Immin by Captain Howard, and I did so; I do not know but Gardner's contract had expired; the contract was renewed once a year.

Question. Do you know Gardner?

Answer. Yes, sir.

Question. What is his reputation as a merchant and ship-chandler?

Answer. He stands well, as far as I know.

Examination by Mr Holman.

Question. Has this condition of things existed only since Captain Howard has been the commanding officer in the revenue service?

Answer. Only during that time.

Question. Had you any other reason for believing that Page & Immin were engaged in the ship-chandlery business, than the mere fact that you obtained your supplies from them?

Answer. No, sir; I am under the impression that some vessels did get some articles of ship-chandlery lately from Gardner; we invariably get some articles from Page & Immin; they furnish the coal for the steamers.

Question. Are they connected with any coal yard?

Answer. I think they are, and I think they have something to do with engines.

Question. How many boats did you receive?

Answer. Five.

Question. What was the quality of the boats?

Answer. They were new, and pretty good.

Question. Do you know the value of such boats?

Answer. I would not like to set a value upon the boats without thoroughly examining them.

Question. You did not thoroughly examine these?

Answer. No, sir; I had them only a few days.

Question. What became of them?

Answer. They were delivered to other vessels, with the exception of one of them, which was run into by a vessel and smashed; of course I did not make any inquiry into those things which I did not purchase or contract for myself.

Question. How much of a crew have you upon the "Agassiz?"

Answer. I have but a very few men, but all the men for the other vessels pass through my vessel.

Question. Did you hear the name of the person at Sag Harbor who furnished these boats.

Answer. I think I did, but I have forgotten it.

Question. What connexion has he with Captain Howard?

Answer. None, to my knowledge; I never heard of any.

Question. Who, by the regular line of promotion, would have been the senior captain in command of the revenue service at this port?

Answer. The line of promotion in this service is the same as that in the army and navy; it goes by seniority and date of commission, and if Captain Howard had remained in the service he would have been where he is now.

Question. But if he had not been reinstated, who would have been?

Answer. Captain Hunter.

Question. Do you know anything about the purchase of vessels for the government in this port during the last three months?

Answer. I do not.

Question. Captain Howard has had nothing to do in that respect except in the purchase of these small boats and supplies for the revenue service?

Answer. Not to my knowledge.

Question. Have you heard of his having been engaged in other purchases?

Answer. I have heard of his having assisted in the examination of some vessels, but I know nothing about it.

Question. What vessels did you understand he had examined?

Answer. I do not know.

Question. Did he assist Commodore Breese, Mr. Cummings, or Mr. Morgan?

Answer. I do not know.

Question. What other name or names did you hear in the same connexion?

Answer. I heard one or two other names, but I do not remember what they were. I know that Captain Howard has been particular to see that all our bills were right, and that the prices charged were not exorbitant. I gave an order yesterday, and sent the bill of prices to him. He stopped it because the prices were too high.

Question. From whom did you obtain the articles?

Answer. From George P. Flandrau. They were hammocks.

Question. Was any direction given as to where they should be made?

Answer. No, sir.

Question. You had the order filled finally?

Answer. Yes, sir.

Question. Who filled the order?

Answer. George R. Flandrau, the same person to whom I first applied.

NEW YORK, *September 27, 1861.*

HENRY W. BENEDICT, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. State the place of your residence.

Answer. I reside at New Haven, Connecticut.

Question. Do you know anything about the steamer *Stars and Stripes*?

Answer. Yes, sir; I was a stockholder and director in the company that owned her.

Question. What has become of her?

Answer. She was sold to the United States government.

Question. For how much?

Answer. \$55,000.

Question. Through whom was the purchase made?

Answer. I cannot tell; the business was done by the president of the company, C. S. Bushnell. He was the president of the New Haven Propeller Company, which owned the *Stars and Stripes*.

Question. When was the sale made?

Answer. I cannot tell exactly. I think it must have been about the last of July. The reason I think so is that the treasury notes in which we received our pay were dated the 6th of August.

Question. Had the *Stars and Stripes* been previously chartered to the government?

Answer. Yes, sir.

Question. For how much?

Answer. At \$10,000 for thirty days; and it was optional for the government to keep her or not at \$9,000 a month after the expiration of that time.

Question. What was the original cost of that boat?

Answer. About \$35,600.

Question. And how much was she sold for?

Answer. \$55,000. We considered that we built her cheap. She was a very excellent vessel.

Question. Who were the parties who made the negotiation with the president of your company?

Answer. To tell the plain truth the company knew little about it. The president always declined to tell us much about it.

Question. Did he account to the company for that amount?

Answer. No, sir. He attempted to charge \$10,000 for selling the boat. The directors had several meetings in regard to it, and refused to allow the charge. Finally, all the stockholders were called together, and they allowed him \$8,000.

Question. Do you know whether all this amount of \$8,000 went to Mr. Bushnell himself, or to him and some other persons?

Answer. I do not know, he never would tell us. He declined to let us know anything about it.

Question. What idea had the directors in relation to the transaction?

Answer. The directors thought, at least, that it was a pretty heavy share.

Question. A heavy share upon them, or a heavy share upon the government?

Answer. I cannot say that the government got shaved, for the price at which they bought the boat was as low as what it would have cost them to build her, as everything went up after we made the contract.

Question. Do you know of any case besides this, where a vessel has been sold to the government for more than she cost?

Answer. I do not. I only know that I have heard time and again of sales being made to the government, and of large profits being realized.

Question. What reason did the president of the company give for making such a large charge by way of commissions?

Answer. He claimed, as I understood him, that it was necessary to employ parties at Washington to help him sell the boat.

Question. Where does Mr. Bushnell reside?

Answer. In New Haven.

Question. What is his name?

Answer. Cornelius S. Bushnell.

Question. You say the stockholders agreed to allow him \$8,000.

Answer. Yes, sir.

Question. Would they have agreed to pay that amount if they had not considered that they had got more than the vessel was worth?

Answer. I cannot say.

Question. As one of the directors, you would not agree to it?

Answer. No, sir. There were five directors.

Question. Where did you intend to run the vessel?

Answer. We intended to run her between New York and New Haven. The vessel was entirely new.

Question. Cannot Bushnell give us all the information about the boat?

Answer. Yes, sir ; as much as any body can.

Question. He intimated that he had to pay large sums in Washington to effect the sale?

Answer. He said distinctly that he did not himself get a copper of the \$8,000. We did not like to believe it, but he asserted it over and over again. He said that his relations to the persons to whom he was obliged to pay this money, were such that he could not and would not reveal their names. He finally so far succeeded in satisfying the stockholders that they agreed to pay him the \$8,000.

Question. After paying him that sum, your company received \$47,000 for the boat?

Answer. Yes, sir.

Question. With which the stockholders were very well satisfied?

Answer. Yes, sir.

Question. They would have been satisfied to have got \$35,000?

Answer. I think they would.

Question. Do you think that vessel was worth, these times, more than thirty-five or thirty-six thousand dollars?

Answer. I should think she was worth more than that. I think we built the vessel remarkably cheap.

Question. How old was she?

Answer. She was upon the stocks when she was chartered. We worked for the government about six weeks under the charter, and were to receive \$10,000 for the first month, and \$9,000 for the second, but we received only \$9,300 for the first month.

Examination by Mr. Dawes,

Question. How much charter money did you receive in all?

Answer. I think about \$16,000.

Question. Did you run the vessel?

Answer. Yes, sir ; we loaded and unloaded her, and found everything.

Question. Have you any knowledge from any source, through what influence Mr. Bushnell effected the sale?

Answer. No, sir.

Question. Do you know of any person who came either to New York or to Washington on that business with Mr. Bushnell?

Answer. No, sir.

Question. Have you ever heard from anybody?

Answer. No, sir.

Question. Have you asked Bushnell that question?

Answer. The directors and stockholders insisted upon knowing where this money went to, but he declined to tell us, and never would tell us.

Question. With whom was the sale finally effected?

Answer. The papers were delivered to Mr. George D. Morgan, and the bill of sale was sent to Washington. A vote of the company directed that the purchase money should be paid to Samuel Russel, the secretary of the company.

Question. Was anything paid to Mr. Morgan?

Answer. No, sir; not by us. Bushnell stated that he was to pay Mr. Morgan $2\frac{1}{2}$ per cent. out of the \$8,000.

Question. Then he made known the disposition of that money to that extent?

Answer. Yes, sir; but no further.

Question. Did he say that though the trade was made with Morgan, still he had to use money in Washington?

Answer. He did not mention Morgan's name until the last.

Question. He insisted all the time that the parties who were assisting him were in Washington?

Answer. Yes, sir.

Question. What assistance did he represent that he was obliged to get?

Answer. He stated to us that it was impossible to approach the heads of departments at Washington without letters of introduction, and that it was necessary to get men of influence to approach them.

Question. Did he represent that he was obliged to pay for letters of introduction?

Answer. He said he was obliged to pay persons in Washington for their influence.

Question. More than one person?

Answer. He spoke of persons.

Question. Did he speak of having to pay for the influence of persons residing in Washington?

Answer. No, sir; he spoke as if they were members of Congress, or ex-members, or something of that kind, whom he paid for their influence. I will not say positively whether he spoke of ex-members.

Question. Did he speak of any ex-members in Connecticut?

Answer. I do not think he did. There was an impression that one of our ex-members had something to do with the matter, but I could not see any ground for that impression. That was Mr. Woodruff.

Question. Then he represented that he was obliged to pay for the influence of members or ex-members, or both, who were residing or staying in Washington?

Answer. Yes, sir.

Question. And he stated that he was obliged to pay out this entire \$8,000?

Answer. Yes, sir. At least he stated that this two and a half per cent. to Morgan was to be taken out of it.

Question. But beyond that he gave you no information to whom it was paid?

Answer. None whatever.

Question. Upon what ground then, did the stockholders, after he refused to give them that information, vote to allow him \$8,000?

Answer. He told them a long story about the matter. He satisfied them that he could not approach the government directly; that it was necessary to have assistance, and that in all probability he had spent this money.

Question. If it was necessary to have help, how was it dishonorable to disclose the names of the persons he was obliged to pay for their assistance?

Answer. Because his relations to those gentlemen were such that he could not do it.

Question. Was it a secret influence that they were to exercise?

Answer. I do not know what kind of influence was exercised.

Question. Was it an agency which they were carrying on at Washington among themselves?

Answer. I do not know whether it was or not.

Question. Did he represent that it was an influence brought to bear upon the Secretary of the Navy?

Answer. I think it was his intention to represent that.

Question. Did he represent that that influence was brought to bear from Hartford upon the Secretary of the Navy?

Answer. No, sir; he did not.

Question. Do you mean to say that he gave you no clue as to the kind of influence which was brought to bear?

Answer. He represented to the company that sometimes—not in our case—certain members of Congress were in the habit of saying to the department, “My constituents have a boat or something to sell, and I insist that you shall purchase that boat,” &c.

Question. And that that assistance it was necessary to pay for?

Answer. Yes, sir.

Question. Did he represent that the assistance which he was obliged to pay for was of that character?

Answer. Yes, sir.

Question. For procuring the assistance of members of Congress in behalf of their own constituents?

Answer. Yes, sir.

Question. Was any inquiry, to your knowledge, ever made by your company concerning this matter of your present member, Mr. English?

Answer. No, sir.

Question. Or of Mr. Woodruff?

Answer. No, sir.

Question. Or of any of the members or ex-members from Connecticut?

Answer. No, sir; not so far as I have heard.

Question. Did Mr. Bushnell represent that men at Washington hedged up the avenues of approach to the Secretaries?

Answer. I do not know that he did; but he said it was impossible for a gentleman to approach them without the aid of those gentlemen. He said there were some members of Congress who made it their regular business to do this thing.

Question. Did he give the names of anybody?

Answer. No, sir.

Examination by Mr. Holman.

Question. Do you know where the negotiation for the vessel was first put on foot?

Answer. So far as the company is concerned it originated in this way: we gave Bushnell power to charter or sell a boat. He immediately went to Washington, and I believe he commenced the negotia-

tion there. He did pretty much as he had a mind to from beginning to end, and he can tell you all about it if he will.

Question. Do you know anything about the sale of the *Valley City*?

Answer. I do not.

Question. Was she owned in your city?

Answer. She was partially owned there and partially in Derby.

Question. Did you see Mr. Morgan at any time during the pendency of this negotiation?

Answer. No, sir, I did not, but Mr. Russell did.

Question. What did Mr. Russell say?

Answer. We thought it best to get the purchase money into our own hands, and therefore we passed a vote of the company that Mr. Russell should go to New York with Bushnell, with a view to the sale of the vessel and its delivery to Mr. Morgan, and that he might, when the money was paid, be on hand to get it. Russell had nothing to do in any way with the sale. Possibly he can tell you something about it, but I do not think he can.

Question. Did Morgan himself ever examine this vessel?

Answer. She was examined in New York.

Question. Do you know that your company authorized your president, or anybody else, to assert to Mr. Morgan, or to anybody else, that the actual cost of this vessel was \$65,000?

Answer. No, sir.

Question. Did your company pretend that they were selling the vessel at a sacrifice?

Answer. No, sir; I do not think they held out any such representation. I think the impression was that we got more than she cost. When the government chartered her at \$10,000 a month they had the option of taking her for \$60,000. They did not take her, and Bushnell got somebody in New York to work at her, and he closed a sale at \$55,000.

Question. But you never heard it asserted that the vessel cost your company \$65,000?

Answer. No, sir.

Question. Did Morgan represent that Bushnell told him she cost \$65,000?

Answer. Not to my knowledge.

Question. Did she cost \$55,000?

Answer. No, sir.

Question. Was there any attempt to conceal the cost?

Answer. No, sir; not so far as the company was concerned.

Question. Do you know of John Woodruff coming to this city, or to Washington, with Bushnell, in connexion with this matter?

Answer. No, sir; I said before that I saw no reason to believe that Woodruff had anything to do with it. I never saw anything that looked like it.

Question. Does Woodruff live in your town?

Answer. Yes, sir.

Question. Do you know what connexion Bushnell had with the sale of the *Valley City*?

Answer. I do not.

Question. Do you know whether John Woodruff had any connexion with that sale?

Answer. No, sir.

NEW YORK, *October 5, 1861.*

WM. H. ASPINWALL, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside at Tarrytown; I am in no business.

Question. Had you any connexion with the government of the United States in the way of purchasing some coal hulks in New Bedford in May last?

Answer. I had.

Question. State the whole transaction.

Answer. When communication was interrupted between Washington and New York, in April, I went, as a friend, to see whether I could aid Commodore Breese in getting one or two armed vessels to give protection to the transports which were going to Annapolis. Being a personal friend of the Commodore, I induced him to fit out, upon his own official responsibility, but at my pecuniary expense, those vessels. Shortly after that the Secretary of the Navy requested me to continue to act in advising Commodore Breese as to his charters, in connexion with the brother-in-law of the Secretary, Mr. George D. Morgan, and I so continued to act until communication with Washington was opened and settled, and the Secretary of the Navy had made permanent business arrangements for carrying out his purchases here. While thus acting with Mr. Morgan there came an order to buy two or three vessels for carrying coal. Mr. Morgan made some inquiries in New York, but did not find the vessels which were wanted except at high prices, and I suggested to Commodore Breese that if I were making the purchases on my own account I should send on to New Bedford or New London and get two or three whaling ships there, as they were generally in good order as to bottoms and hulls, and were generally sound. He asked me if I could recommend any one to him to make the purchase. I looked around, and a Mr. Starbuck was recommended to me as a proper person as being a ship broker, and originally from New Bedford. I recommended him to Commodore Breese, and he sent Mr. Starbuck on there. I think he limited him to \$7,500 for each vessel. Mr. Starbuck told me he would go on, but that he should require money. I then asked my son, of the firm of Howland & Aspinwall, to open a credit, or give him the means of buying those vessels in New Bedford; I also recommended that the vessels should be bought deliverable here, so as to avoid all trouble and expense. After those vessels were bought, there came an order from the Secretary of the Navy to arm them. The moment that order

came I suggested to Commodore Breese to have the vessels inspected by Mr. Delano, the naval constructor. As those vessels were to carry national guns and men, I thought it necessary that they should be inspected.

Question. Was Mr. Starbuck your agent, or the agent of Commodore Breese?

Answer. The agent of Commodore Breese. I never had any connexion with Starbuck except to recommend him.

Question. What knowledge have you of Mr. Starbuck?

Answer. I know him as the partner of a young man I brought up in business, and have also heard of him as being a man of integrity, intelligence, and an active ship broker.

Question. Is he a man of pecuniary responsibility?

Answer. Of moderate responsibility.

Question. Do you know whether he was furnished with the credit?

Answer. He was.

Question. Are you a member of the firm of Howland & Aspinwall?

Answer. I am not in business at all.

Question. Do you know anything about the percentage they charged the government for the use of the money?

Answer. I think they charge two and a half per cent., but I am not certain. Mr. Delano reported that the vessels were essentially sound, except that one of them wanted one or two new spars. I reproached Mr. Starbuck with not being particular. He immediately showed me the certificate of the inspection and survey by a competent man in New Bedford as to the soundness of the vessels. I should say these ships were bought within the limits given by Commodore Breese. At the same time there came a report from New Bedford that certain ships had been sold to speculators there at a very low price and afterwards sold at a large advance to the government. Captain Foot first mentioned this to me in the navy yard. I was in the habit of going there every day. I said immediately if that was the case I must investigate it, because I was morally responsible for having recommended this man Starbuck, if there was any fraud in the matter. I went over to see Starbuck, but he was not in his office, but his partner, Mr. Tappan, told me he had had a visit from some officer in the yard, and that he was amazed that there should be anything of that kind. He told me he would show me everything he had got, and he brought out letters which had been written to him by Starbuck from New Bedford, and they conveyed the impression to my mind that there was only a fair purchase, for which they got a fair commission from the seller. I ought to have said that I wrote a note to Commodore Breese, saying that Mr. Starbuck would go to New Bedford, and that he had better place a limit on Mr. Starbuck which should include any compensation which he should get, and that he should get that compensation from the seller. Mr. Tappan handed me the letters from Mr. Starbuck, and they removed all doubt from my mind as to their having acted honestly. I have since heard that they received seven and a half per cent. commission, of which they claimed five themselves, and paid two and a half per cent. for the use of the money. I heard that upon making some inquiries the other day. Commodore Breese sent

me a note one morning, saying that he had heard so and so, and that he was very much annoyed by what he had heard. I went over to the yard. He then told me that some one had said that some vessels had been sold at a low price. I told him to try to get the names of the vessels, because if it was only a general idea we must identify them as being the same vessels. He said he could not do that. He said that a gentleman at New Bedford had told him that some vessels had been so sold, but that he did not know them. He understood that Starbuck said that the man from whom he bought the vessels was a man interested in a good many vessels, and that he generally bought up whaling vessels after a voyage was finished. That was the only explanation, and, having confidence in Starbuck, I accepted that explanation as true. By the by, he showed me at the same time the receipts for the money. There was a long delay in getting the money from the government. Howland & Aspinwall had a great deal of trouble about it. Some complaint was made to the Navy Department, and they required the evidence that the money had been paid, and certified affidavits from New Bedford in relation to the facts. I understood that those were furnished, and that the money was paid after a delay of two or three months.

NEW BEDFORD, MASSACHUSETTS,
October 4, 1861.

LAWRENCE GRINNELL sworn :

Question. Will you be good enough to state your residence and business?

Answer. I reside in New Bedford, and am collector of customs of the port.

Question. Do you know anything in relation to the transfer of the vessel called "The Roman" by Abraham Barker and others to Henry F. Thomas; and if so, what?

Answer. All that I know in regard to the matter is, that Henry F. Thomas produced a bill of sale from those parties at the custom-house to be recorded, a copy of which, certified by me, I now make a part of my testimony.

COLLECTOR'S OFFICE,
District and Port of New Bedford.

I do hereby certify that the annexed is a true copy of the original bill of sale of ship Roman, received at this office May 22, 1861, 10 o'clock 30 minutes a. m., and recorded with registered vessels, book 14, pages 103 and 104.

Given under my hand and seal of office the 21st day of September, 1861.

[L. s.]

LAWRENCE GRINNELL.
Collector.

To all to whom these presents shall come, greeting :

Know ye that we, Abraham Barker, owner of $\frac{2}{16}$, George F. Barker, $\frac{2}{16}$, Pardon Tillinghast, $\frac{1}{16}$, of New Bedford; Seth M. Blackmer, $\frac{2}{16}$, of Fairhaven; David H. Bartlett, $\frac{1}{16}$, and Abraham DeHart, $\frac{1}{16}$, of Dartmouth, of the ship or vessel called the Roman, now in New Bedford, of the burden of three hundred and fifty tons $\frac{2}{9}$, or thereabouts, for and in consideration of the sum of four thousand dollars lawful money of the United States of America, to us in hand paid before the sealing and delivery of these presents, by Henry F. Thomas, of New Bedford, in the county of Bristol and Commonwealth of Massachusetts, the receipt whereof we do hereby acknowledge, and are therewith fully satisfied, contented, and paid, have bargained and sold, and by these presents do bargain and sell unto the said Henry F. Thomas, his executors, administrators, and assigns, said ship or vessel, together with the masts, bowsprit, one suit of sails, boats, anchors, cables, and all other necessities, as per agreement, excluding all the whaling materials, &c., the certificate of the registry of which said ship or vessel is as follows, to wit :

In pursuance of an act of the Congress of the United States of America, entitled "An act concerning the registering and recording of ships or vessels," George F. Barker, $\frac{2}{16}$, of New Bedford, in the State of Massachusetts, having taken or subscribed the oath required by the said act, and having sworn that he, together with Abraham Barker, $\frac{2}{16}$, Pardon Tillinghast, $\frac{1}{16}$, of New Bedford; Seth M. Blackmer, $\frac{2}{16}$, of Fairhaven; David H. Bartlett, $\frac{1}{16}$, and Abraham DeHart, $\frac{1}{16}$, of Dartmouth, State aforesaid, are the only owners of the ship or vessel called the Roman, of New Bedford, whereof Abraham DeHart is at present master, and is a citizen of the United States, as he hath sworn, and that the said ship or vessel was built at Bath, State of Maine, in the year eighteen hundred and thirty-three, as per register No. 45, granted at this port August 22, 1857, surrendered property charged in part. And said register having certified that the said ship or vessel has two decks and three masts, and that her length is one hundred and twelve feet eleven inches; her breadth twenty-six feet two inches; her depth thirteen feet one inch; and that she measures three hundred and fifty tons $\frac{2}{9}$; that she is a ship; has a square stern; no galleries, and a figure head. And the said George F. Barker having agreed to the description and admeasurement above specified, and sufficient security having been given according to the said act, the said ship has been duly registered at the port of New Bedford.

Given under my hand and seal, at the port of New Bedford, this 21st day of May, in the year one thousand eight hundred and sixty-one.

To have and to hold the said ship Roman and appurtenances, as per agreement, unto him the said Henry F. Thomas, his executors, administrators, and assigns, to the sole and only proper use, benefit, and behoof of him, the said Henry F. Thomas, his executors, administrators, and assigns, forever. And he, the said Abraham Barker, George F. Barker, Pardon Tillinghast, Seth M. Blackmer, David H. Bartlett, and Abraham DeHart have and by these presents do promise, covenant, and agree, for ourselves, our heirs, executors, and adminis-

trators, to and with the said Henry F. Thomas, his heirs, executors, administrators, and assigns, to warrant and defend the said ship Roman, and all the other before-mentioned appurtenances, against all and every person and persons whomsoever.

In testimony whereof, we, the said Abraham Barker, George F. Barker, Pardon Tillinghast, Seth M. Blackmer, David H. Bartlett, and Abraham DeHart, have hereunto set our hands and seals this — day of May, in the year of our Lord one thousand eight hundred and sixty-one.

ABRAHAM BARKER. [L. S.]

GEORGE F. BARKER. [L. S.]

PARDON TILLINGHAST. [L. S.]

SETH M. BLACKMER. [L. S.]

DAVID H. BARTLETT, [L. S.]

By his attorney, ABRAHAM BARKER. [L. S.]

ABRAHAM DEHART. [L. S.]

Signed, sealed, and delivered in the presence of—

ROBERT T. BARKER.

JETHRO C. BROCK.

Question. Do you know anything in relation to the sale and purchase of the vessel called the “William Badger?”

Answer. Only from hearsay.

Question. Who were the owners of that vessel?

Answer. The owners of the ship “William Badger,” of New Bedford, whose names appear in the register when she cleared May 22, 1861, for New York, were Benjamin B. Howard, seventeen thirty-seconds; Edmund Maxfield, one-sixteenth; Nathan E. Hammett, one-sixteenth; Edward T. Faber and Joseph R. Reed, one-sixteenth; James Hammett, one-sixteenth; George H. Clark, one-sixteenth; William Maxfield, one-sixteenth; George B. Richmond, one thirty-second, of New Bedford; and Charles Harris, one sixteenth, of Randolph.

GEORGE B. RICHMOND sworn :

Question. Are you in the custom-house at this place?

Answer. Yes, sir. I reside in New Bedford, and am inspector, weigher, and gauger in the custom-house.

Question. State to the committee all your knowledge of the recent transfer of the ships “Roman” and “William Badger.”

Answer. The circumstances of the transfer of the “William Badger” I had occasion to be acquainted with, because Mr. B. B. Howard, the agent of that ship, being a clerk, I was brought a little closely in connexion with him. Mr. Thomas and Mr. Starbuck, a stranger from New York, were here together purchasing ships. Thomas was acting, but Starbuck seemed to be behind, and I supposed was the real bidder. Those two bought the “William Badger,” I think, at \$2,500. I was not there when they made the terms, but Mr. Howard consulted me.

I owned a piece of the vessel, and being a clerk, he consulted me more than he did the rest of the owners. I supposed those two were buying for Mr. Starbuck at the time; and when he came to have the bill of sale made, he wanted me to make it, and I am very sure I did.

Question. To whom was it made?

Answer. I think it was made to Mr. Thomas. That is my impression.

Question. What was your understanding before this, that the vessel was to be purchased for the government?

Answer. No, my understanding was this: I wanted to know what it meant; I wanted to get as good a price as I could, and I inquired about it. Mr. Thomas was up there, talking about it; and I think Henry Thomas told me Starbuck wanted to buy her for a coaler, to go out with a load of coal to Aspinwall, and there be dismantled and made a receiving ship. That is the way, I think, I understood Henry Thomas about it. And when the bill of sale was made out, and Mr. Howard put in the name of Henry F. Thomas as the purchaser, my recollection is that the idea came into my mind that there was something wrong about it—that it was going to pass through other hands—and I spoke to Mr. Howard to know what it all meant, and asked why not make the bill of sale to Mr. Starbuck, if it was all right. But I think it was made to Henry F. Thomas.

Question. Who paid the money?

Answer. I could not tell you.

Question. The money was paid?

Answer. It was paid then. Howard had the money, I presume, from Mr. Thomas.

Question. Can you give the date?

Answer. I know he paid, and I can find the date by Mr. Howard's books.

Question. Do you recollect about what time the sale was made?

Answer. Yes, I can tell. I am the wharfinger on that wharf, and I can tell the time she left.

Question. Can you get the exact date?

Answer. I can, from Mr. Howard's books.

Question. Did you know anything about the sale of the "Roman?"

Answer. Nothing particular.

Question. Was it at the same time?

Answer. It was about the same time. I think the "Roman" was sold the day before the "William Badger" was sold.

Question. What was the price that Mr. Thomas paid to the owners for the "Roman?"

Answer. I do not know. I think I have heard it was a thousand and odd dollars.

Question. What was the price that you sold the "William Badger" for to Mr. Thomas?

Answer. \$2,500.

Question. Can you establish that?

Answer. I can, by reference to Mr. Howard's books.

Question. Do you know what became of the "William Badger" after the purchase? Can you trace her any further?

Answer. She lay at the wharf, and I had charge of her, and then went to sea with the "Roman."

Question. Were these vessels to be delivered at New York at this price, or here, to Mr. Starbuck?

Answer. I do not know.

Question. Did you have any conversation with Mr. Starbuck?

Answer. I think not.

Question. Do you know of any one here who did?

Answer. No, sir; I think Mr. Thomas and Mr. Starbuck were together. It was my impression that Henry F. Thomas was buying the vessel for Mr. Starbuck, and I supposed so until the bill of sale was made.

Question. And when the bill of sale was made out to Mr. Thomas instead of to Mr. Starbuck, it excited your suspicion that all was not right?

Answer. It seemed rather a queer operation. Mr. Starbuck was buying her, and he ought to have had the bill of sale.

Question. How long were they negotiating about it?

Answer. I think two or three days.

Question. Were any other vessels examined that you know of besides these two?

Answer. I think there were. I have none specially in my mind, but they were round bartering.

Question. Were they together?

Answer. Yes, sir.

Question. Did you know Mr. Starbuck? Has he any business connexion here?

Answer. I should presume not a great deal. He is not one of my acquaintances.

Question. You knew him to be an agent for Aspinwall, did you?

Answer. I do not know that I did. I heard something said about it afterwards, that he was buying for them.

GEORGE F. BARKER sworn:

Question. Be good enough to state your place of residence and your business.

Answer. I reside in New Bedford, and am in the grocery and shipping business.

Question. State to the committee whether or not you were one of the owners of the ship "Roman."

Answer. I was, sir, of one-eighth of her.

Question. Did you make a sale of your interest; and if so, to whom, at what time, and at what price?

Answer. I sold the ship to Mr. Starbuck for \$4,000.

Question. At what time was this?

Answer. I cannot state the date at this moment, but I can get it for you.

Question. Did you negotiate the sale?

Answer. I did.

Question. State the circumstances under which the sale was negotiated.

Answer. Well, Mr. Starbuck is an intimate friend of ours. He married a niece of mine, and consequently that brings him in close contact with us. He was at my house and took tea. I think he called upon me to know if the "Roman" was for sale, and I told him she was. We finally agreed upon this price.

Question. \$4,000?

Answer. Yes, sir. This was in the evening at my house. The next morning I wrote a formal contract, inserting his name as the purchaser, and handed it to him to sign. He requested me to change it and insert the name of Henry F. Thomas. I did so, and Mr. Thomas signed it.

Question. What reason did Mr. Starbuck give for placing the name of Mr. Thomas in the bill of sale, instead of his own?

Answer. Well, he did not give any, if I recollect aright.

Question. Who paid you the money?

Answer. Henry F. Thomas.

Question. Do you know from whom Mr. Thomas got the money?

Answer. I do not.

Question. How did Mr. Starbuck propose to pay you?

Answer. He proposed to pay the money at the time of the purchase.

Question. Was anything said by Starbuck in regard to the change of the name in the bill of sale and the payment of the money by Mr. Henry F. Thomas?

Answer. No, sir, I think not; only that he should not be here, and that Mr. Thomas would attend to the matter, and pay for the ship. Nothing beyond that.

Question. Did you understand all this time that although the name of Mr. Thomas was to be in the bill of sale, yet Mr. Starbuck was the purchaser?

Answer. Yes, sir; he stated to me at the time of the purchase that he simply wanted the ship—I think the name of the firm of Howland & Aspinwall was mentioned in connexion with it—to take a cargo of coal to Aspinwall, and leave her there as a storeship.

Question. Had you any idea what led to the putting of the name of Mr. Thomas in the bill of sale?

Answer. I supposed at the time that the ship was being sold to the government. That was my impression.

Question. For that price?

Answer. No; but that she would be re-sold to the government; that she was purchased for the government.

Question. Had you any idea that Mr. Starbuck was the agent of the government?

Answer. No, sir.

Question. Have you any idea now that he was the agent of the government?

Answer. Oh no; not the agent of the government.

Question. Acting for the government at that time, in any way? Have you any idea that this ship went to the government afterwards?

Answer. I only knew of her going to the government by what I saw in the New York papers.

Question. Did you know at what price she was purchased by the government?

Answer. I was told by my brother in New York for about \$7,000; that is, in the neighborhood of \$14,500 was paid for the two ships.

Question. State whether \$7,500 was a reasonable price for the government to pay for the ship "Roman?"

Answer. Had it not been for the state of our business here we should not have sold her for \$7,000.

Question. If Mr. Starbuck had been the agent of the government, acting in good faith and with the knowledge that you have, would you not have sold her for the same price you did?

Answer. I certainly should. If we had not been satisfied with the price, we should not have sold the vessel to him.

Question. Did you see Thomas and Starbuck together?

Answer. I did, sir, after the purchase; not until then.

Question. Did you hear any conversation between them in regard to the purchase?

Answer. Not previous to that. I heard them simply talking the matter over as to what should be done.

Question. In regard to the payment?

Answer. Yes, sir.

Question. How was the payment made by Mr. Thomas to you?

Answer. He gave me his check.

Question. On what bank?

Answer. The Mechanics' Bank. I think he gave me two checks.

Question. Did you hear anything about any payment of money to Mr. Thomas by Mr. Starbuck?

Answer. No, sir; I did not.

Question. Was Mr. Starbuck formerly a resident of this city?

Answer. No, sir; he was from Nantucket originally.

Question. Where does he reside and do business now?

Answer. In New York city.

Question. What is his firm?

Answer. Tappen & Starbuck.

Question. Where is their place of business?

Answer. Corner of Water street and Old Slip, I think it is. In addition to the \$4,000, Mr. Thomas paid me, I think, \$25 for some little matters.

Question. Do you know whether any other ships here were looked at by Mr. Starbuck?

Answer. I think he told me he had looked at the "Ohio" and the "Archer."

Question. Did Mr. Thomas come to your house with Mr. Starbuck?

Answer. He did not.

Question. Where were they when Thomas signed the contract of sale?

Answer. I think it was at Mr. Thomas's office.

Question. Mr. Starbuck was there, was he?

Answer. I did not see Starbuck and Thomas together until the next

morning after the purchase of the ship. They came to the wharf where the ship was lying.

Question. After the money had passed?

Answer. No; the money had not passed then. That was where I handed the memorandum of the contract to Mr. Starbuck, and he requested me to insert Thomas's name instead of his own.

Question. They were both together at that time?

Answer. Yes, sir; subsequently I met Thomas at his own office and he signed the contract.

Question. Did you see them together again in connexion with this matter?

Answer. Yes, sir; several times during that day, and then Mr. Starbuck returned to New York.

Question. Was anything said to you about taking treasury notes, or the credit of the government in payment?

Answer. No, sir.

Question. Did you object to taking the credit of the government or of anybody?

Answer. No, sir; his proposition was to purchase the ship for cash.

Question. The original proposition to you was that he should pay cash?

Answer. Yes, sir.

Question. And no other proposition was made?

Answer. No, sir.

Question. What bank did you say Mr. Thomas gave you checks upon?

Answer. The Mechanics' Bank.

Question. And you have no knowledge how Mr. Starbuck paid Mr. Thomas?

Answer. No, sir; I have not.

Question. Who took the ship to New York?

Answer. A steam-tug came here from New York and took both the ships.

Question. How soon after the sale?

Answer. I think it was the third day after the sale. The ship arrived here on Wednesday. I happened to be in New York at the time, and she was discharged and sold to them, and delivered the Tuesday morning following.

Question. Please state at what time the bill of sale should have been dated.

Answer. There was some delay—one or two days' delay—before the ship was paid for. I can furnish you with the date presently.

Question. Was not that delay for the purpose of enabling Mr. Starbuck to place funds to the credit of Mr. Thomas?

Answer. Very likely. I cannot say as to that.

Question. Who is the cashier of the Mechanics' Bank?

Answer. E. Williams Hervey.

Question. Well, the government paid Starbuck for these ships \$15,101?

Answer. I do not know. My brother informed me that Mr. Starbuck and Mr. Thomas made about \$7,000. I supposed they were purchasing ships for Howland & Aspinwall.

GEORGE B. RICHMOND recalled :

I find that the money (\$2,510) was paid for the "William Badger" on the 24th of May last. She left the wharf where I was on the 22d of May, and went to Mr. Thomas's wharf and lay there, I think, until the 23d or 24th of the month, when she went to sea.

Question. Do you know the reason of the delay of two or three days in the payment?

Answer. No ; I supposed it was a matter of convenience.

E. WILLIAMS HERVEY sworn :

Question. State your residence and business?

Answer. I reside in New Bedford, and am cashier of the Mechanics' Bank.

Question. Does Mr. Henry F. Thomas keep an account at that bank?

Answer. Yes, sir ; he does.

Question. Do you know of any transaction of his in connexion with a Mr. Starbuck, about the 21st of May, in regard to the purchase of some ships?

Answer. Well, I do not know anything about the date. I could not tell you the day.

Question. Can you tell in regard to the circumstance? We can fix the time afterwards.

Answer. Well, I have some knowledge regarding it, but of course my business is such that that knowledge is very slight. I knew there was some sort of business transaction between them. They were associated in some way or other. I saw that. I saw them together.

Question. Did you see them together in relation to any money transaction in connexion with your bank?

Answer. Well, I do not know how much together they were. Mr. Starbuck—I should think it was about the time you named—had some funds deposited in our institution and he drew for most of it. I recollect that Mr. Starbuck had bought a vessel here. That is my impression. And I suppose he got Mr. Thomas's advice. Of course it was not a matter in which I interested myself in any way, but it came to my observation that Mr. Starbuck left a small balance in our bank to check out in paying off the hands in fitting out the vessel. That was the purpose for which the money was there. I feel sure about that, because I remember paying the checks.

Question. It was not a very large amount was it?

Answer. I do not think it was over \$1,000.

Question. Were the vessels paid for by checks on Mr. Starbuck's funds in your bank?

Answer. I do not think the vessels were paid for through those.

Question. How were they paid for?

Answer. I do not know about that. I have an idea that there were some drafts drawn by William H. Starbuck—I believe that is his name—drawn, perhaps, on the firm of Tappen & Starbuck. I am not sure about it. I think I saw some such papers. I will return to the bank and ascertain.

GEORGE F. BARKER recalled :

Question. Can you state now the date of the bill of sale of the ship "Roman?"

Answer. I can state that the bill of sale should have borne date on May 21, 1861. The check from Mr. Thomas was received on the 22d of May, 1861, and deposited on that day. The price for the ship was \$4,000. Two boats were added for \$20, and cordage (lines) at \$10, making \$4,030. Thomas gave me two checks made payable to "cash," instead of to Abraham Barker or George F. Barker.

Question. Can you specify the amount of those checks?

Answer. One was for \$2,000 and the other for \$2,030. That is my impression.

Question. Why were they made payable to "cash" instead of to the person to whom the money was to be paid?

Answer. I did not ask any questions when he wrote them in that way.

Question. Is that an ordinary way of drawing checks in business transactions?

Answer. The name is generally inserted of the person to whom the money is payable.

Question. Where any concealment might be desired in regard to a transaction of this kind, would it not be natural for a man to make the check payable to "cash," instead of naming the parties?

Answer. That was what led me to suppose that you might want this information.

Question. It is more difficult to trace them in the bank?

Answer. Yes, sir; these two checks might be there payable to "cash," and signed by Henry F. Thomas, and they would not know for what purpose.

E. WILLIAMS HERVEY recalled :

On looking over the ledger I see the names of Starbuck and Thomas associated in several instances. I find that on May the 2d Henry F. Thomas drew upon Tappen & Starbuck for \$3,027 11. On the 4th of May I see there is a little draft drawn by Tappen & Starbuck on the Marine Bank, of New York, for \$274. On May the 22d Henry F. Thomas drew upon Tappen & Starbuck, at three days' sight, for \$4,034.

Question. Through your bank?

Answer. Yes, sir.

Question. You gave him cash for it?

Answer. Yes, sir; it went to Mr. Thomas's credit, I believe, and on the 24th of May Mr. Thomas drew on Tappen & Starbuck, at five days' sight, for \$2,513.

Question. Was that amount credited to Mr. Thomas's account?

Answer. I believe that both of those sums went to Mr. Thomas's account. It appears that there were deposits on those days for about those amounts—a little larger; there might have been some other items which I could not tell without going away back and overhauling

memorandums; but there were deposits to about those amounts on those days.

Question. Do you find Mr. Thomas's checks to about corresponding amounts about the same time?

Answer. I did not look to see about that. I only looked to see about Tappen & Starbuck.

HENRY F. THOMAS sworn:

Question. State your residence and business.

Answer. I reside in New Bedford, and am a commission merchant.

Question. State to the committee what connexion you had, if any, with the purchase of the ships "Roman" and "William Badger."

Answer. Yes, sir. As near as I can make out, if my memory serves me, some time in the month of May, I am not positive of the day, I think, however, before Mr. Starbuck came on here, he wrote to me to inquire about ships, what there was here, and the prices, and I think I wrote him that there were of course a number of ships here for sale, and at different prices. At any rate, he came on a few days after this correspondence and stated that he wanted to purchase one or two, or two or three vessels, and had an interview with me in regard to what there was here. I asked him the class of vessels he wanted, and he told me what they were probably wanted for. He wanted stout old ships, he did not care how old if they were sound, and suitable for carrying cargoes of coal from New York to somewhere on the southern coast, I do not remember where, and after they had carried the coal there, I think he said they were to be used for hulks. I think I read over to him from the shipping list the ships here. He did not state at that time what he wanted them for, that he was buying them for the government, until we had had some considerable conversation in regard to the ships, and, if my memory serves me, I told him, after naming over various ships, what they could be bought for. I do not know that I named the "Roman" and the "William Badger" at that time. He then said that he had got an order from the government to purchase two ships. Whether he showed me the order then I do not know, but he did before he went away, and I think he did before I bought the ships, but I am not certain as to that. At any rate, he told me they were for the government, and the purpose they wanted them for. Well, I asked him what they wanted to give for them. He said his limit was, I think, \$7,000 or \$7,500 each for two or three. Well, we had some conversation with regard to the different ships here, and he asked me what I thought he could buy certain ships for, naming them. I do not remember their names. Well, I stated that such a ship could be bought for \$5,000, and such a one for \$6,000, and such a one for \$8,000, and such a one for \$10,000, and so on. "Now," said he, "I cannot buy any ships unless they are sound, and I must have the ships examined." "Well," said I, "of course, if the parties owning the ships will allow them to be bored before you purchase, you can ascertain whether the ships are sound, according to the views of the carpenters." Finally he asked who was a good carpenter to examine the ships. Well, I named two

or three, and amongst them Mr. Edwards, whom I afterwards employed to examine the ships. Then I think I asked Mr. Starbuck this question: said I, "the government, you say, has authorized you to pay \$7,500?" "Yes," said he, "that is the price, if the ships will pass inspection." "Well," said I, "do you want to employ me to buy the ships?" "Why, yes," said he. "Well," said I, "I suppose I can buy two ships that will pass examination that are sound, that will comply with your order, as you say, for \$5,000." "Well," said he, "give me a commission of seven and a half per cent. and I do not care who makes the rest," or something to that effect. I cannot now state the exact language. "You go and buy the ships and I will pay you \$7,500 for them, but you have to get the ships to pass the examination; they have got to be delivered in New York and put in order to pass a certain inspection there." I presumed the ships were dismantled here, the rigging all off, and they had to be put in order and sent to New York, and there fitted. "Well," said I, "how much will it cost? I do not want to have anything to do with this; all I expect to get out of it is a commission, and I do not want to work unless I am sure of getting that." "Well," he said, "I do not know, it will cost about \$500 to tow them to New York, and \$300 or \$400 to fit them here." Well, the arrangement was made, if I remember aright, that I was to allow him seven and a half per cent. and to deliver the ships in New York, and put them in order—in such order, of course, as would pass the inspection. Well, I bought the ships. The first offer I had about the ships I do not think he told me they were for the government. It was none of my business.

Question. What did you pay for the ships?

Answer. I paid \$4,000 for the "Roman," and then I bought some things belonging to her besides, such as rigging. The ships were sold without their whaling gear. Then I bought a couple of boats from the agent. I have forgotten now what I paid. It was not a large sum, perhaps \$50. I think the sum paid for the other ship was \$2,500; that is my impression. And then there were some things bought from the other ship. Then there was an expense laid out here of—well, I should guess, perhaps, \$200.

Question. Laid out by whom?

Answer. By me.

Question. What for?

Answer. For repairs, to rig the ships up with spars.

Question. Were the ships to be delivered by you here or in New York?

Answer. New York.

Question. How did you deliver them there?

Answer. Towed them on.

Question. By what?

Answer. I think the steamer "Jacob Bell" towed them on.

Question. How much did you pay for that?

Answer. \$500.

Question. How much did you receive for the ships?

Answer. I received \$7,500 for one and \$7,100, I think, for the other—seven thousand, one hundred or two hundred.

Question. Mr. Starbuck was here during this whole time when the trade was made?

Answer. He was here when the ships were bought, and stayed here, perhaps, a day or two after.

Question. How did he pay you for the ships?

Answer. He brought on with him an accepted draft drawn by him on Howland & Aspinwall for \$15,000. He gave me that draft for the ships. I tried to get the draft negotiated at the Mechanics' Bank here—I think it was at four months—and they would not do it; they said they did not know Howland & Aspinwall; it was a pretty large amount, and money was pretty tight, and the bank rather hesitated about doing it. I carried the draft over to another bank, but it was not negotiated. I then told Mr. Starbuck, "I cannot use that draft, you must raise me the money." Well, I think he went to New York that day and sent me the money.

Question. How?

Answer. He knew what I paid for the ships before he went away. I think he sent me by checks on New York perhaps about \$8,000, instead of sending me \$15,000, and I wrote him that he must send me the balance of that money. The bills there were upon the ships; of course I expected to pay. I never have had the balance of the money, but Mr. Starbuck said that the money was in the hands of a party there for me, which party, I am told, has got it there for me.

Question. Who is that party?

Answer. I think the name of the party is Wheelwright; his first name I cannot say.

Question. What is his business?

Answer. A merchant in New York. I think he is a partner in the house of Loring & Co., of Valparaiso. Mr. Starbuck did not send me the money, but he told me, either here or in New York, that there was between five and six thousand dollars profit on the ships after paying the expenses here, which belonged, according to our contract, to me, but at the time, of course, I supposed that there would be expenses in New York. I did not know but I should have to copper the ships. I was to put them in a certain condition. Well, Mr. Starbuck told me when I was in New York, or else at the time when he was here, that the balance of the money that he owed me he had placed in the hands of this Mr. Wheelwright, who would send it to me, but I never got it.

Question. Were not you advised by Mr. Starbuck that this purchase was to be made for the government?

Answer. Not until after the agreement was made; I think not; my impression is that nothing was said about it until after the ships were bought; he told me what purpose they were for, to carry coal, but I did not know they were for the government; I supposed they were for Howland & Aspinwall.

Question. (By Mr. Dawes.) I understood you to say a moment ago that he told you he had an order from the government to buy ships, and was limited to a certain price, and then he told you that he had no objection to your making this difference.

Answer. I was thinking that that was afterwards; I think that at

the first conversation we had nothing was said as to who the ships were for—that they were for the government.

Question. But when he told you that he had an order from the government, and was limited to \$15,000 for the two ships, was it or was it not then that you proposed to him to buy the ships for less, and asked him if he was willing to let you make the difference?

Answer. No, sir, no; the supposition on my part at the time was that these ships had, of course, got to be fitted out.

Question. Did you or did you not make the proposition to him, if you could get such ships as he wanted, in such condition as he wanted, for a less sum than the \$15,000, to which he was limited by the government, whether he was not willing that you should make the difference?

Answer. I think I did.

Question. Did he not reply that if he could have seven and a half per cent. commission on the whole he did not care who made the difference?

Answer. I think that was the statement.

Question. Then does it not follow that before you purchased the ships you knew that they were to go to the government?

Answer. Well, my impression is that this conversation occurred; but I did not know that they were going to the government; perhaps I was wrong in stating that I knew he had an order from the government; I meant that he had an order to buy the ships for that sum of money, but I did not know at the time that they were for the government.

Question. Do you not know that Mr. Starbuck himself left money in the Mechanics' Bank to meet these repairs, and that it was drawn out from the bank?

Answer. No, sir.

Question. Is that so or not?

Answer. It is not so.

Question. Do you not know that Mr. Starbuck himself bought the "Roman" of the Messrs. Barker the evening before you had a conference with him about it?

Answer. Yes, sir; that is a fact.

Question. Then he bought it at a given price himself?

Answer. Yes, sir; that is so.

Question. Then did not Mr. Barker carry to him in your presence a contract of sale and ask him to sign it; and was it not there that Mr. Starbuck proposed to him to have it made in your name rather than in his own?

Answer. I think I was not present at the time.

Question. Did not you know of that thing?

Answer. I think Mr. Starbuck told me something about it; something was said about the contract, that Mr. Barker wanted it signed by Mr. Starbuck.

Question. Do you say that you were not present when Mr. Barker asked Mr. Starbuck to sign the contract of sale himself and he then suggested that it be done by you?

Answer. I do not remember that I was present; I do not know but

what I heard Mr. Barker ask Mr. Starbuck about the contract ; but what their conversation was I do not remember.

Question. Did not Mr. Starbuck give you two drafts of his own upon Tappen & Starbuck, one for \$4,034 ?

Answer. I think he did.

Question. Did he not give you another for \$2,513 ?

Answer. Yes.

Question. Did not those go to your credit at the Mechanics' Bank, to pay for these ships ?

Answer. Yes, sir.

Question. How much of the difference between them and \$14,600 were you to have ?

Answer. He told me, as I said before, that if I would run the risk of buying these ships and of their being accepted—of course, passing the inspection and being found sound—if he could make a commission of seven and a half per cent. I might have the balance.

Question. Seven and a half per cent. on what ?

Answer. \$15,000.

Question. Then he was to have seven and a half per cent. on the \$15,000, and you were to have the difference between that and what you paid for the ships ?

Answer. That is what he told me ; but, as I said before, I have not got it.

Question. Have you ascertained how much it is ?

Answer. I think he told me, or wrote me, that it was about \$6,000, I cannot remember the exact figures.

Question. You told him of other ships in port, and neither of them was the "Roman" or the "William Badger?"

Answer. Yes, sir.

Question. Did he go to look at these ships ?

Answer. Yes, sir ; I think he did.

Question. Who with ?

Answer. With me, and I think with Mr. Edwards.

Question. Did you bore them ?

Answer. Yes, sir.

Question. Before or after you signed the contract of sale ?

Answer. One of them, I think, was bored before the purchase, and the other after.

Question. Which was bored before the purchase ?

Answer. I think, the "William Badger."

Question. Then the "Roman" was not bored until after the sale ?

Answer. My impression is that it was not.

Question. Did not Mr. Starbuck tell you, the evening before you signed the contract of sale at Mr. Barker's, that he had bought the "Roman?"

Answer. He told me so the next morning.

Question. Then you did not buy the "Roman?"

Answer. He bought it and paid for it.

Question. Why, then, was the bill of sale made out to you if you did not buy the vessel or pay for it ?

Answer. I cannot tell you. It was at his request.

Question. Was it made out for any other purpose than that this difference between the price you charged the government and the price the vessel cost could be arranged between you?

Answer. I have no doubt about it.

Question. That it was for that purpose?

Answer. I presume it was.

Question. Was not the understanding between you and him that you were to have that difference?

Answer. He told me that he would guarantee me a commission.

Question. But he had bought the ships?

Answer. One ship.

Question. Then did you not know, when you took the bill of sale of that ship, that it was put in your name in order that it might be reconveyed by you to the government, and this difference made by you and Starbuck? Did you not know that that was the purpose of the conveyance to you of a ship that you had neither bargained for nor paid for?

Answer. Yes, sir; I presume so. He requested it.

Question. Was there any other reason?

Answer. I do not know of any other reason.

Question. Did you make the bargain for the "William Badger?"

Answer. I think I did.

Question. Do you remember an interview between Mr. Starbuck and the owners of the "William Badger" (Mr. Richmond and Mr. Howard) at their counting-room?

Answer. I do not think I was present. We were on the wharf at at one time when the ship was bought. Mr. Starbuck was with me when the bargain was concluded.

Question. Who else was present?

Answer. I do not think any one but Mr. Howard.

Question. Do you not know that the trade for the ship was made by Mr. Starbuck with Howard & Richmond?

Answer. No, sir.

Question. And that after the trade was made it was suggested by Mr. Starbuck that the bill of sale should be made to you?

Answer. No, sir; that is not so.

Question. Was not the bill of sale made to you?

Answer. It was.

Question. Why?

Answer. I presume for the same reason that the other one was.

Question. And you neither furnished the funds nor made the contract for it?

Answer. No; I furnished no funds; he was to furnish me the funds.

Question. And he did furnish you?

Answer. As I said before, he brought a draft on with him, but I could not negotiate it, and he immediately drew his drafts.

Question. To whom did you transfer both the vessels?

Answer. My impression is that I transferred them in blank.

Question. How soon after you took the conveyance?

Answer. I did not get the bill of sale of these ships for several days

after they were bought. I think there was some delay. Some of the owners were out of town, if I remember right.

Question. How soon after you got the conveyance did you transfer them in blank?

Answer. Immediately.

Question. To whom did you deliver the blank conveyance?

Answer. To Mr. Starbuck.

Question. Here, in this city?

Answer. I will not say whether I sent it on, or whether he was here.

Question. How long did you keep it?

Answer. Oh, I conveyed it as soon as I got it.

Question. Then you held the title of the ships no time at all?

Answer. Comparatively none.

Question. And it was the understanding when you took it that you should transfer it?

Answer. Of course. Yes, sir. Mr. Starbuck told me, I do not know whether it was before or immediately after the ships were bought, that they were for the government.

Question. What was the consideration for which you received this large amount of money, or were to receive it?

Answer. That he was to have seven and a half per cent. and I was to put the ships in repair.

Question. Why did he confer upon you this great blessing?

Answer. I do not know.

Question. Was there any understanding or agreement of any kind in regard to a division?

Answer. Not at all. I had no idea at the time I should get over two and a half per cent.

Question. On what ground was this amount to be taken from the government and put into your pocket?

Answer. As I said before, I had no idea it would be so much. I supposed it would cost a great part of this money to put the ships in order.

Question. But you know it did not cost any such thing?

Answer. I know it, and I never got the money.

Question. But you know the government has paid it?

Answer. I understand the government has paid \$14,000 for these ships.

Question. And a portion of the money, you say, is in the hands of Wheelright, for you?

Answer. Yes.

Question. Why is it not sent to you?

Answer. I do not know.

Question. What explanation does Mr. Starbuck make?

Answer. I do not know. I have not seen Mr. Starbuck.

Question. Have not you corresponded with him on the subject?

Answer. No, not recently; some little time ago I did.

Question. Well, what was the result of your correspondence?

Answer. Well, he said there was about six thousand dollars which belonged to me; and I said if there was any money which belonged

to me I should like to have it, and I think he said he had placed it in the hands of Wheelwright, who was going to keep it for me.

Question. Why was that; what was the explanation of that?

Answer. I do not know. I never could get any.

Question. Do you think that that is a false account of it—that he has the money himself?

Answer. Well, I cannot tell you as to that. I know I never have got it. The last time he was here I said to him, "Mr. Starbuck, I do not know but what I have made a fool of myself in getting into a scrape where I get nothing out of it, but this has been the most unpleasant business I ever had, and I wish I had never seen you." He asked "Why?" and I said "Every one thinks I have made four or five thousand dollars out of the government, and the reality is I have not made a cent, except that I got two or three hundred dollars that you remitted me." I said I wished I had never seen the ships, and that I would not have had anything to do with the matter for forty old ships. "When we went into the matter," I said, "I supposed you had a contract—a *carte blanche*—to buy two ships, at \$7,500 each, but," said I, "now it appears that the government rather employed you, as an agent for aught I know; and if I had known that fact I should have stopped at the outset."

Question. And now you disclaim all right to that money?

Answer. Certainly; as I said before, I never have got it. If he sends it to me, I do not know but I might keep it.

Question. You do not make any claim upon it?

Answer. Yes; I make a claim upon it in one sense, because at the time I acted in good faith in the matter.

Question. Would not a man, situated as you are, in taking that money be a party to a fraud upon the government?

Answer. That is what I say. I would not take money where there could be any imputation that the money did not really belong to me, or where it might be said that I had taken money that belonged to the government, or to any one, by collusion with other parties.

Question. How could you make it appear otherwise if you took the money under these circumstances?

Answer. The only explanation I could give is, as I said in the beginning, that in the first place I acted in good faith, supposing that Mr. Starbuck had contracted to furnish two ships to the government for this sum of money. There was some risk in buying the ships; the owners of one of them would not allow it to be bored until after it was sold; the ships might not have been sound, and I might not have been able to get the certificate of inspection, and the ships might possibly have been thrown on my hands. I supposed he was acting in good faith in the matter, and I do not know anything to the contrary now.

Question. And when you come to understand the whole thing, what claim can you make on the money without involving yourself?

Answer. I make no claim, as I said before. If I had not had this feeling in the matter, that there might be something wrong—though I do not know now that there is—I might have looked after the money long ago.

Question. Is Mr. Starbuck a responsible man pecuniarily?

Answer. I have always supposed him to be such. I used to do a great deal of business with them in the way of sending articles of merchandise to them to sell on commission. Mr. Starbuck's father is a very nice man, and lives at Nantucket. I have been in business a number of years; I keep a store, and own several ships. I have had no business with them lately, but formerly I used to do a great deal of business with them.

Question. How does this transaction, from all the light you have upon the subject, appear to you? That Starbuck was not a party to defrauding the government out of this amount? For instance, these vessels were sold to the government for \$14,600. The amount actually paid for the vessels here was about \$6,500; then there was the commission of Mr. Starbuck, who charged the government two and a half per cent. commission for advancing the money, the whole \$15,000; and then charged five per cent. commission on the whole \$15,000.

Answer. Well, perhaps he made this bargain with me and put the money in Mr. Wheelwright's hands; I have not got it.

Question. Do you think it is his intention to defraud you out of it?

Answer. Oh, I do not know. I never looked after the money, because I found soon afterwards there was trouble about it.

Question. What trouble did you hear there was?

Answer. Well, perhaps a month or longer, after this transaction was made, I met Mr. Starbuck in New York, and he said there was some trouble about the government accepting the draft of Howland & Aspinwall. He brought on here a draft on Howland & Aspinwall to raise money to buy these ships; the draft I carried to our bank and failed to negotiate. He said that Howland & Aspinwall (he told me a month afterwards) were to furnish the money and have two and a half per cent. Well, at this time, in New York, which was a month or so afterwards, he told me that the government had refused to accept that draft, or that Howland & Aspinwall had not got that money.

Question. Did you make an affidavit?

Answer. Then he asked me to make an affidavit. Well, I thought the matter all over, and I had one made.

Question. What was the purport of it?

Answer. The purport was as I have stated here, that I was to have for selling the ships—that the profits belonged to me; that is to say, that affidavit in substance was that Starbuck was to pay me fourteen odd thousand dollars for the ships. That is what he was to have paid me, but he has only paid me five or six thousand.

Question. But he bought the ships himself?

Answer. Well, that is true; one of them.

Question. He paid for the "Roman" himself; you did not pay any money out of your own pocket?

Answer. Only the bills here.

Question. These were reimbursed to you?

Answer. Oh, of course; I got all my money; I am neither out nor in in the business.

Question. What motive had Mr. Starbuck for taking six, eight, or

nine thousand dollars from the government, and putting six thousand of it in your hands?

Answer. Not in my hands.

Question. Well, agreeing to give it to you?

Answer. That I do not know.

Question. Cannot you imagine? What were the relations between you and him?

Answer. I have stated them all.

Question. Did it not strike you as extraordinary that he should give you the chance to make all this money?

Answer. At the time I had no idea this amount could be made. I supposed it would cost a good deal to fit out the vessels. I do not know that he told me so, but I inferred it.

Question. Do you not know that the government had to do everything itself and pay for it?

Answer. I learned so afterwards.

Question. Did you pay the steamer for towing the vessels to New York?

Answer. They paid it.

Question. Do you not know that the government paid it?

Answer. I do not.

Question. Do you know that the government did not pay it?

Answer. I think Starbuck told me they did not.

Question. All your knowledge about it is from Starbuck himself?

Answer. I know nothing else.

Question. He has reimbursed you for what you paid out for rigging the ship.

Answer. Yes, sir.

Question. He deposited the money in the Mechanics' Bank here for that purpose.

Answer. No; he gave the money to me and I deposited it; he gave me his check on New York or drafts, which I deposited to my credit.

Question. And it went out in small checks to the individuals employed.

Answer. My checks did.

Question. On that fund.

Answer. Yes, sir; it went into my general bank account.

Question. But against that fund.

Answer. It all went into a common fund.

Question. I understand you to say, Mr. Thomas, that with your knowledge now of this whole transaction you disclaim all claim to this money.

Answer. Yes, sir; under all the circumstances I should have looked after it long ago otherwise; I should not have allowed that sum to be otherwise.

Question. By Mr. Starbuck's operations the government is swindled out of eight or nine thousand dollars.

Answer. I wish I had the money and the government had value received for it. I have not got the money. He told me Wheelwright had it for me.

Question. We should like to understand what that means, why Mr. Starbuck should go and place the money in Wheelwright's hands.

Answer. I have never looked to it. I have not been to New York since he told me.

Question. Have you any idea now that Starbuck intends to keep the whole of it, and, after having swindled the government, to swindle you?

Answer. I do not know as to that; I cannot tell what a man's idea is; I think Mr. Starbuck told me distinctly that he paid for the towing, and I supposed at the time that he would have to copper the ships. I made all the figures. I have not got the memorandum I made, but I supposed I should be called upon to pay the bills for coppering the vessels in New York.

Question. You never have been called upon to pay them?

Answer. No, sir.

Question. Why should you be called upon to pay the bills incurred in New York?

Answer. I supposed he wanted to use my name; it has been a very unpleasant matter to me; I went into it without thought; I supposed I was dealing with a responsible party and in good faith; I supposed if he wanted the bills of sale made to me it was for some honest purpose; I knew nothing to the contrary, and I supposed it would cost three or four thousand dollars to put the vessels in order.

Adjourned.

TESTIMONY

IN REFERENCE TO

THE PURCHASE OF ARMY SUPPLIES.

NEW YORK, *September 2*, 1861.

GEORGE T. MICKENS, being duly sworn, was examined as follows :

Examination by Mr. Holman.

Question. State your residence and the business in which you have been engaged during the last four months.

Answer. I reside in this city, and am engaged in masonry.

Question. Are you engaged in that business alone, or in connexion with some other person?

Answer. In connexion with Thomas C. Smith.

Question. Have you yourself or your partner had any connexion with furnishing the government with supplies during the last four months?

Answer. My partner has.

Question. What was the character of the supplies furnished by him?

Answer. I cannot say. That was private business of which I never knew anything about.

Question. You had no connexion with the business yourself?

Answer. No, sir ; my engagement with Smith refers to all general building business. His private matters I have not had any interest in.

Question. You are not aware of the kind of supplies he furnished the government?

Answer. I saw some knapsacks.

Question. What information had you in relation to them?

Answer. None ; he attends to the financial part of our business, and I to the working part.

Question. If your partner had any connexion with the furnishing of supplies to the government, you had no interest in the matter?

Answer. No, sir ; neither in the job nor in the profits.

Question. Have you heard him say anything about the contract?

Answer. No, sir.

Question. Were you aware of the fact that your partner was engaged in a business in which the government was interested?

Answer. Yes, sir ; because he was absent so much from his part of our business.

Question. Where was he?

Answer. I believe he was at the arsenal in 35th street ; I knew of his going there.

Question. What do you know about his making several trips to Albany during the last four months?

Answer. Not anything.

Question. His business outside of your firm was transacted at your office, was it not?

Answer. Yes, sir.

Question. Would it be possible for him to be extensively connected with the government in contract without your having some knowledge about it?

Answer. Yes, sir ; I was brought up with him from a boy, and knew how to take the man. We have never had a word of difference during the fifteen years we have been together. His private matters I have no interest whatever in, know nothing about, and make no inquiries about.

Question. Do you know from him, or from any other person, the amount of his profits made out of the government?

Answer. No, sir ; I have heard persons make remarks as to what his contract would pay.

Question. Had Smith, prior to the breaking out of the present difficulties, in which the government is involved, been engaged in any business outside of your firm, such as furnishing knapsacks to the government?

Answer. I do not know.

Question. How long have you been connected with Smith?

Answer. This is the sixteenth year.

Question. How long have you been a partner of his?

Answer. About six years.

Question. And the only contract you have ever known him to have outside of the business of your firm is the contract he has been engaged in since the commencement of this war?

Answer. Yes, sir.

Question. About what time did you understand the contract was made?

Answer. I could not say.

Question. You understood there was such a contract?

Answer. Yes, sir.

Question. Now about what time did you understand the contract was made?

Answer. I cannot say, except by reference back to our time books.

Question. Could you not tell within a week or ten days of the time when you knew such a contract existed?

Answer. I think it was not far from the middle of June.

Question. Where did you see these knapsacks?

Answer. In his office on the table.

Question. And that is the office where the business of your firm is transacted?

Answer. Yes, sir.

Question. How many did you see at any one time?

Answer. I suppose half a dozen.

Question. Were they there as samples?

Answer. Yes, sir.

Question. Do you know by whom they were furnished?

Answer. No, sir.

Question. Did you hear Smith say anything about them?

Answer. I did not. I never inquired into any of his private business.

Question. Was he out of this city, more or less, during the month of June?

Answer. I do not know of his being absent but once, and then but a day.

Question. What did you hear said by any other person in his absence, about his furnishing to the government any supplies of any kind?

Answer. Nothing that I am aware of; if I saw you in his office talking to him I should leave.

Question. Were you present when those specimen knapsacks were brought to his office?

Answer. No, sir.

Question. Have you no information from him, or from any other source, as to the quantity of knapsacks furnished by him to the government?

Answer. No, sir.

Question. Do you know with whom he was connected in furnishing those supplies to the government, if any such person there was?

Answer. I do not know who his partner was. I understood somebody was interested with him, and I think his name was Godwin.

Question. Does he reside in this city?

Answer. I think he lives at King's Bridge.

Question. What is his Christian name?

Answer. Joseph.

Question. What did you ever hear Godwin say upon the subject?

Answer. I never spoke more than half a dozen words with him in my life. I do not know what business he was engaged in.

Question. How long has Smith been engaged in the business of master mason?

Answer. Pretty much all his life.

Question. What other gentlemen besides Godwin have you seen at the office of Smith, connected with this business, or who you supposed was connected with it?

Answer. No one.

Question. Do you know from what part of this city or elsewhere those articles, or any of them, were furnished?

Answer. No, sir.

Question. You never heard Smith say from what point they were furnished?

Answer. No, sir.

Question. Was there any reason you know of why Smith should

preserve such entire silence in relation to his contract with the government?

Answer. No, sir.

Question. How long did the business connected with this contract seem to be in progress?

Answer. About six weeks.

Question. And I understand you to say that during the whole of that time, with the exception of a day or such a matter, Smith was engaged in the usual routine of business at his office?

Answer. Yes, sir.

Question. And you never heard him refer to this contract?

Answer. Never.

Question. Nor to its nature, nor to the amount of its profits?

Answer. No, sir. I was an entire stranger to it.

Question. And you are intimate with Smith in business?

Answer. Yes, sir.

Examination by Mr. Dawes.

Question. How did you know that he had the work?

Answer. Because I saw the knapsacks.

Question. And that is the only reason why you say he had a contract with the government?

Answer. No, sir; but also because I knew he had recently been going up to Thirty-fifth street, to the arsenal.

Question. Has everybody who goes to the arsenal in Thirty-fifth street a contract with the government?

Answer. No, sir. The first I ever heard about it was from a man who came into the office and inquired for Smith. I told him he was not there, but that if his business was about our building business I could answer. He said it was not, but that it was about a contract which he had at the arsenal with the government.

Question. Who was that gentleman?

Answer. I cannot say.

Question. That led you to think that his contract related to knapsacks?

Answer. Yes, sir.

Question. What made you think that referred to knapsacks?

Answer. Because I saw the knapsacks.

Question. And that is all you knew about it, and yet you state here that he had a contract with the government to furnish knapsacks?

Answer. Yes, sir.

Question. That is the data upon which you make the statement?

Answer. Yes, sir.

Question. Did you never ask your partner about the matter?

Answer. No, sir.

Question. Did you tell him that this man had called?

Answer. No, sir.

Question. And you never alluded to it?

Answer. No, sir; not to my recollection.

Question. (By Mr. Holman.) Do you remember of having said to

any person in this city or elsewhere, since the time when you understood this contract had an existence, that within a period of six weeks, or less, or more, Smith had cleared on the contract \$40,000?

Answer. I have so stated.

Question. State how you knew that fact.

Answer. I never knew it, but that was my own answer; it was foolish conversation, and I cannot tell you to-day how much he made or lost. People often ask questions, and I answer them as I choose. I told some persons that he made \$60,000. The statements I made were without any authority whatever, and without having any knowledge upon the subject, either from Smith or anybody else.

Question. To whom did you make the statement?

Answer. I do not remember; perhaps to half a dozen persons.

Question. Do you recollect to have made the statement to any particular person?

Answer. Yes, sir; to Mr. Alderman Owens. In fact, he was the first one that spoke to me upon the subject, and he said that Smith would make \$10,000.

Question. What did you say to him?

Answer. I replied that I did not know. If any one else had asked me I would have said he would do first rate.

Question. Did you ask Alderman Owens what contract he alluded to?

Answer. No, sir.

Question. Did you make any inquiry of him about the contract?

Answer. No, sir.

Question. You said nothing about the contract?

Answer. No, sir; he knew and I knew that Smith had a contract with the government.

Question. You said a moment ago that you did not know that fact, but inferred it?

Answer. Yes, sir.

Question. And yet when Owens said he thought Smith would make \$30,000 out of it, you did not so much as ask what he alluded to?

Answer. I did not; I knew about the contract.

Question. Did you inquire how extensive the contract was?

Answer. No, sir.

Question. Did you know?

Answer. No, sir; but I had heard it was \$400,000.

Question. From whom did you hear that?

Answer. From the man who came to the office.

Question. What did the man who came to the office say?

Answer. He came in and asked for Smith. I told him Smith was not in, but that if he came in reference to general building business I would answer. He said he came in reference to the contract; he said that Smith had a pretty good contract, amounting to \$400,000, and he wanted to see him.

Question. Did you inquire what the contract was about?

Answer. No, sir.

Question. Did you ask if Smith had the contract?

Answer. No, sir; he volunteered the statement.

Question. Did you inquire of your partner whether he had any such extensive operation as that?

Answer. No, sir.

Question. You did not even inform him that this gentleman was there?

Answer. No, sir.

Question. You did not advance the idea to Owens as to how much your partner would make out of the contract?

Answer. No, sir. He advanced the remark to me.

Question. To whom did you make such a remark?

Answer. I might have done so to half a dozen persons.

Question. To whom did you make it?

Answer. I do not know.

Question. Do you not recollect one individual you stated it to?

Answer. No, sir.

Question. When did you make the statement to any one?

Answer. I recollect talking to a carpenter about it.

Question. What did you say to him?

Answer. I stated that Smith had the contract; that he got through with it in time, and that he did very well out of it.

Question. In what time was he to get through with it?

Answer. In six weeks.

Question. Six weeks from what time?

Answer. I do not know.

Question. When did he get through with it?

Answer. I do not know.

Question. You neither know when it commenced or ended, and yet you know he got through in time?

Answer. I asked Mr. Smith.

Question. When did he say he would get through?

Answer. In a day or two after his time.

Question. Did you ask him when that was?

Question. Then you have asked Smith something about the contract?

Answer. That is the only question, I think, that has passed between us.

Question. Is that all you said on that occasion?

Answer. Yes, sir.

Question. Did he inquire what contract you alluded to?

Answer. No, sir.

Question. Did you ask him about the contract with the government?

Answer. No, sir. That is the only contract I ever knew of his having.

Question. And I understand you to say that he did not have this, to your knowledge?

Answer. Not to my knowledge.

Question. What did you say to this carpenter?

Answer. We were talking about one thing and another, and I told this man that Smith had had a contract; that he got through with it in time, and did very well.

Question. How well did you say he had done?

Answer. I did not mention any amount.

Question. Was this a contract to make knapsacks?

Answer. I do not know anything about it. He might have made guns for all I know.

Question. Why had you such a remarkable ignorance in reference to what your partner was doing?

Answer. I never look into his private business. This was his private business, and therefore I took as little interest in it as though he was a stranger. I had no interest in it—not a dollar.

Question. Where does Alderman Owens reside?

Answer. In Thirty-fourth street, between Fourth and Lexington avenue.

Question. Where is Smith at this time?

Answer. I do not know whether he has come to town or not.

Question. Where would he be if not here?

Answer. Out on the Harlem railroad.

Question. Does he come in every morning?

Answer. Sometimes he stays a day over out there.

GEO. T. MICKENS.

NEW YORK, *September 2, 1861.*

ISAAC HENDERSON, being duly sworn, was examined, as follows:

Examination by Mr. Dawes.

Question. State your residence and business.

Answer. I reside in Brooklyn, and am navy agent.

Question. In general terms what are the duties of the navy agent?

Answer. They relate principally to the disbursement of money.

Question. Who makes the purchases for the Navy Department in this vicinity?

Answer. The open purchases are made principally by the navy agent, though not altogether. The other purchases are made through contract.

Question. Who makes those contracts?

Answer. The different departments at Washington.

Question. Contracts for furnishing supplies in large quantities?

Answer. Yes, sir.

Question. What proportion of your supplies are obtained under contract?

Answer. By far the greater proportion I should say.

Question. Who else makes purchases outside of the contracts?

Answer. They are made by some persons connected with the navy yard, but I do not know by whom.

Question. Persons employed by whom?

Answer. I presume they receive their direction from the commodore or the heads of departments at the yard.

Question. Do you receive directions from Washington to make purchases outside of these contracts?

Answer. Very seldom.

Question. Do you employ anybody under you to make the purchases for you?

Answer. I do not.

Question. Do you make them directly yourself?

Answer. I do.

Question. Do you get orders from Washington to make purchases of any particular individual?

Answer. I may have received orders to purchase of specified individuals in some two or three cases only.

Question. What were the articles you were so directed to purchase?

Answer. I remember now a lot of *lignumvitæ*. I was told where I could purchase 110 tons at a price designated—\$90 per ton.

Question. When was this?

Answer. I think it was about a month ago.

Question. Of whom were you directed to purchase?

Answer. Of a Mr. Nichols.

Question. At what price?

Answer. At \$90 per ton.

Question. From whom did you receive the order?

Answer. I received it from Commander Gansevoort, in charge of the ordnance department. That order contained a copy of a letter from the chief of the Ordnance bureau at Washington, Mr. Lenthall, to Commander Gansevoort, the purport of which was, I think, that they wanted a lot of *lignumvitæ*; that it could be purchased of Nichols for \$90 a ton, and they directed him to make the purchase. Commander Gansevoort sent the order to me, and I went to the navy yard, when I was told that it was already furnished and in the yard.

Question. What was the price you were to pay for it?

Answer. \$90 per ton.

Question. What was the market price of it at that time?

Answer. I took some pains to ascertain about that, because I was considerably annoyed about the matter. The order stated that 85 tons of the amount must be of a certain size; and as near as I could ascertain I could have bought it for \$40, or at any rate for not exceeding \$45 a ton. I found on going to the navy yard that it had already been furnished.

Question. What did you do there?

Answer. I had nothing to do but to carry out the directions of the department. At the same time I told Commander Gansevort that it could be furnished at the figures I have mentioned.

Question. What reply did you get?

Answer. He gave me to understand that he would immediately inform the bureau at Washington of it, and ascertain whether they would not like to purchase an additional quantity. Since that time I have not heard from him upon the subject.

Question. What use had the navy yard at that time for such a quantity of *lignumvitæ*?

Answer. They use it for making gun carriages, and for other purposes.

Question. Have you had occasion to make any other purchases of that article for the navy yard?

Answer. No, sir.

Question. Is that an article of fixed value in the market, or is it of changeable value?

Answer. I understand its value is somewhat changeable. I looked at the contract at that time under which that article was supplied, to see how the prices agreed, and I found that they were alike in that respect, and I also found that this Nichols was the contractor for furnishing that article. A part of this *lignumvitæ*—the smaller pieces of it—could have been purchased at a much less price.

Question. But the best quality you could have bought at that time for forty or forty-five dollars a ton.

Answer. Yes, sir.

Question. What other articles have you purchased in a similar manner?

Answer. I do not recollect any other.

Question. What was the contract you referred to, as having examined?

Answer. The contract for *lignumvitæ*. The government has a contract with Nichols for furnishing a certain quantity, and stipulating that if an additional quantity was demanded he was to furnish it at a certain price.

Question. Have you had occasion to make other direct purchases, by order from the department?

Answer. Yes, sir; two recently. The first was for two of Normandy's fresh water apparatus, and within a few days I have received another order to purchase twenty of them.

Question. Of whom were you to purchase them?

Answer. Of the agent, in New York, the order stating the name and price.

Question. Who was the agent?

Answer. Seaton & Wainright, brokers. They are agents of the English house.

Question. What was the price?

Answer. There were two sizes—one, capable of distilling two hundred gallons a day, the price of which was about \$800. The other size was to be capable of making five hundred gallons, and the price of that was to be \$2,250.

Question. Have you made any other purchases under direction of the department?

Answer. I do not remember of any at this time.

Question. Could these articles have been furnished elsewhere?

Answer. I do not know. When I received the first order for the two I made inquiries, but could not ascertain that they could be furnished by any other persons than Seaton & Wainright. I asked Wainright how he was connected with the English house, and he

said they were the correspondents of the English house, and from the inquiries I made at the time, I am inclined to think it was all right. Wainright has now gone to Europe to fill the last order.

Question. Are these all the purchases you have made by direct orders?

Answer. I think they are. If there are others, they were not of sufficient importance to impress themselves upon my mind.

Question. Have you made any purchases of George D. Morgan?

Answer. No, sir.

Question. Have you made any purchases in which he had an interest?

Answer. Not that I am aware of. I do not think I have.

Question. Have you had any conversations with any gentlemen of the Navy Department upon this subject of making purchases outside?

Answer. Not that I remember.

Question. Did you communicate to the Navy Department, yourself, that you were compelled to pay twice the market value for *lignumvitæ*?

Answer. I did not, for the simple reason that I received positive instructions to purchase. The storekeeper came over to my office one afternoon and stated that Commodore Breese was very much put out about some *lignumvitæ* which was lying around the yard. When he left I opened some letters I had received, and among them found the order to purchase this *lignumvitæ*, and the next morning I went over to the yard to inquire about it. I found that it had already been purchased and furnished, and the order sent to me afterwards.

Question. By whom had it been ordered?

Answer. I presume by Commander Gansevoort.

Question. And the party from whom you was to purchase was the same person who had the contract to furnish that article?

Answer. Yes, sir.

Question. Was that a contract he had at that time, or one which has been made since?

Answer. He had the contract at that time; but I am under the impression that he was not bound to deliver any until a certain time. It was a contract for the coming year; from July, 1861, to July, 1862.

Question. And for a specific quantity?

Answer. Yes, sir.

Question. Was not this amount a portion of the quantity?

Answer. No, sir.

Question. Suppose the government needed an additional quantity, has he the exclusive right to furnish it?

Answer. I cannot say.

Question. If the government required it, was he bound to furnish it at the contract price?

Answer. Yes, sir.

Question. What time in the year did this take place?

Answer. About a month ago, since the first of July.

Question. Why, then, was he not ordered to furnish it under that contract?

Answer. I think his contract did not bind him to deliver any until a certain day, which, I think, is subsequent to this day.

Question. In what manner are these contracts made?

Answer. Upon advertisement, uniformly.

Question. Do you know anything about the competition for furnishing this article?

Answer. I do not. I inquired at the time whether there would probably be any competition for furnishing this article, and the person of whom I inquired said he presumed there would not be, as this was an article of which there was not much in the market, and it was difficult to fix the price of it until it arrived.

Question. Have you any knowledge of what the price of this article was on the first of July, when the contract was entered into?

Answer. I have not.

Question. The contract took effect from the 1st of July?

Answer. Yes, sir; but it was made a few days before that time. I went directly to three or four persons who deal in the article. One of them informed me that he had a cargo just landed of 1,100 tons, and which he would sell at forty or forty-five dollars a ton. Upon an examination I found that much of it was considerably larger than the size the government called for. It is a very difficult matter to get out of a single cargo such a quantity as the government required of large size. This cargo, perhaps, would have furnished 50 tons of it. At other places I found I could purchase the smaller size at still less price.

Question. Of whom was this 90 tons purchased by Nichols?

Answer. I do not know.

Question. Do you know when he made the purchase?

Answer. I do not.

Question. Can you ascertain that fact from any source of information within your reach?

Answer. I am not sure that I can.

Question. In what business is Nichols engaged?

Answer. I believe that he is a blockmaker. I am not aware that he is engaged in any other business.

Question. What will the whole purchase of the government for the current year amount to?

Answer. The contract calls for a very small quantity, with the privilege of having more, if it is wanted. The contract says that additional quantities must be delivered by the contractor if demanded by the government; so that if the government find they are paying a larger price than the market price, they can cease ordering it of the contractor.

Question. What quantity do you suppose the government will require during the current year?

Answer. I have no means of knowing. From the present state of repairs, it would look as if they would need a large quantity of it.

Question. Who is Commander Gansevoort?

Answer. He has charge of the ordnance department of the New York navy yard.

Question. Do you know George D. Morgan?

Answer. I do.

Question. Do you know anything about his connexion with the purchase of vessels at this port for the government?

Answer. Nothing more than I have heard from report.

Question. Has it been the practice of the government to purchase vessels through the navy agent?

Answer. I understand it has been.

Question. How long has Mr. Morgan been acting in the capacity of agent for the government in purchasing vessels or fixing upon their price?

Answer. I do not know. I presume since the present administration came into power.

Question. Have applications been made to you, upon the part of owners of vessels, to sell them to the government; and if so, what have you done with such applications?

Answer. Such applications have been repeatedly made to me, and I have referred the applicants to Mr. Morgan.

Question. In what business was Morgan engaged prior to this employment?

Answer. I do not know. I understand he was a commission merchant.

Question. Are you familiar with the prices at which vessels have been recently purchased for the government?

Answer. No, sir.

Question. Have you had occasion to refer the Secretary of the Navy, or any person immediately connected with that department at Washington, to the manner in which vessels were being purchased, or in which any other public duties, which came within your observation, were performed?

Answer. I have not.

NEW YORK, *September 3, 1861.*

AMOS B. EATON, being sworn, was examined as follows:

Examination by Mr. Dawes.

Question. Please state to the committee your official position?

Answer. I am major and commissary of subsistence, and stationed in this city.

Question. State the general character of your duties?

Answer. My duties are to purchase provisions for the United States army.

Question. In what manner do you purchase them—by published proposals or private contract?

Answer. Where there is time to permit me to take the usual time necessary to advertise for proposals, to make a subsequent examination, and to put up the stores, I advertise for proposals.

Question. What portion of the stores you purchase are purchased under bids received on proposals advertised for?

Answer. I do not know that I can state what proportion has been purchased by advertising for proposals. Since the law was passed requiring proposals to be advertised for, which was in 1860, very frequently requisitions come to me in a shape giving me so little time that I cannot delay by advertising; and using the discretion which is confided me by the law, I buy them in open market, but I should not be able to say, without a careful examination of the books and papers of my office, definitely, what proportion has been purchased. In the early part of this present war most of my requisitions came to me under circumstances of such necessity that there was not time to advertise, and I purchased the supplies in open market, giving the best notice I could, and by making application to gentlemen with whom I was acquainted as being best able to fill the requisitions, and sometimes employing the intermediate agency of brokers.

Question. Have you received requisitions to purchase of any particular individual?

Answer. I think I never have. I never received any requisition which I regarded as directing me to deviate from the proper and regular course of obtaining provisions. I have occasionally had letters of introduction from persons in position, sometimes one person and sometimes another, introducing a gentleman as being a responsible and reliable man, and perhaps an additional word that anything I might do for this man would be kindly received, or something like that. But I never received anything of the kind which I regarded as binding or authoritative.

Question. Have you had directions to purchase articles outside of proposals, with anything like an indication as to where they could be obtained?

Answer. I doubt if I have. I have had so many applicants coming to me from various parts of the country that it is difficult to say, but I do not think that I have had anything more than letters introducing persons, and indicative, if you please, of some gratification in case I should do something for such persons—nothing more than either of us would do in giving a letter of introduction, saying “if you would do anything for my friend I should be pleased,” but nothing which looks like a pressure of authority or influence.

Question. I desire to ascertain whether there has been anything like an indication or wish from the department that the purchase should be made in a particular direction.

Answer. I do not recollect anything in the character of a wish indicated which would justify me in answering that affirmatively.

Question. Previously to the breaking out of hostilities, in what manner, as a general thing, did you procure your supplies?

Answer. It was a practice from which I rarely departed, I think, that when a requisition was in such terms as to give me a distinct impression, according to my best judgment, that there was a plenty of time to advertise, to have the advertisement sufficiently circulated, to receive the bids, to decide between the different applicants, and to give new bidders, if any such there should be, time to furnish and put up

the supplies, then I advertised for the purpose of giving public notice of the wants of the government, so that all who chose could make propositions, and then I took the articles from the lowest responsible bidder who could furnish the articles best adapted to the service. If, in the communication, great haste was indicated, then I enter the market and buy where I best can. I go to responsible persons, and, perhaps, to those I am best acquainted with, and who know how to put up army supplies, and buy of them without special contract or advertisement.

Question. What proportion of the supplies for the last year have you purchased upon advertisement, and what proportion in open market?

Answer. Previous to a year ago, perhaps for three or four years during which I have been stationed here, I have, except when the supplies to be furnished were pretty large, like those which were to be sent annually to California, bought them in open market, without advertisement. When stores were to be got ready for California, or when there was a large amount of supplies, which might be supposed to draw out competition, it has been my habit to advertise. But the greater part of my purchases here, excepting, perhaps, once or twice a year, have been for quite small lots to answer local demands, and in general for stores called for and wanted very soon—so soon as to render it impracticable to advertise and have the advertising amount to anything. In such cases I have gone into the open market and bought without advertising.

Question. Previous to the present war what has been about the usual amount of money expended here by you for supplies?

Answer. I would make, perhaps, not a very near approximation if I were to try, but I should say not less than \$100,000, and perhaps not more than \$300,000. I should say between those two sums.

Question. What has been the amount expended by you since the breaking out of the present war?

Answer. It would be but little more than a guess to state it. I received a remittance of \$500,000 for the purchase of supplies to-day, for the payment of the month's supplies, the first delivery of which is to take place on the 10th of September. I should say from a million to a million and a half of dollars. It may be more, and it may not be that.

Question. What force have you under you?

Answer. I have now five clerks.

Question. Are they army officers or civilians?

Answer. They are civilians.

Question. Is their compensation a fixed salary?

Answer. No, sir; their salary is adjusted by myself, according to the necessities of the case.

Question. Dependent upon the amount of duties discharged?

Answer. No, sir. I have taken in some clerks since the beginning of this war. At the beginning I had one clerk, and a man as office attendant, and a messenger. In the beginning of the war my chief at Washington authorized me to call upon the Quartermaster's department for a storehouse, and authorizing me to employ such addi-

tional assistance as I might need for the faithful performance of my duties.

Question. Did you fix the compensation of those gentlemen at the time you hired them, or does that depend upon the amount of purchases?

Answer. It does not depend upon any such contingency. When I took them in, I stated what I required of them to do, and adjusted their salaries, after inquiring what other officers in the same building were paying their clerks, and considering what I had previously paid, and what I knew I should require of them.

Question. Is the salary of any of the officers in your department dependent in any degree upon the amount of the purchases?

Answer. No, sir.

Question. Your own compensation is that of army officer?

Answer. Yes, sir.

Question. You have no other compensation?

Answer. I have none other whatever.

Question. During the time since the present troubles broke out, can you tell what portion of the supplies you have been required to purchase you have been able to get upon advertisement for proposals?

Answer. Whenever I have advertised, I believe in almost all cases I have got the supplies advertised for in consequence of such advertisement. In one or more instances persons proposing did not come up to time, and, not being able to delay, I sent out and made purchases to make up deficiencies.

Question. What proportion of supplies do you think you have been able to purchase through the contract system, and what through the open market system?

Answer. In answer to that I can only say that during the early part of these difficulties, when there was so much pressure and hurry, and when the calls from Washington were in such terms that, in my judgment, there was not time to advertise, I made my purchases in the open market. It takes about a fortnight to advertise to get in proposals, to ascertain who are the successful bidders, and to give the new bidders a sufficient time to get up the stores. Sometimes I have received requisitions from Washington requiring great despatch; for instance, to get up and forward within a week a million of rations, and I have no alternative but to go out and buy them at once. Lately the department has given me directions to supply a certain number of rations weekly, and since that I have advertised almost constantly. But previous to that time my requisitions came to me in such terms that but few of them gave me time to advertise, and then I took the only other alternative, that of purchasing in open market.

Question. Well, under the present state of things, what proportion of the supplies are you able to get under the contract system?

Answer. I think all, or nearly all. I will frequently, though, have orders in the morning, for instance, to get and deliver certain articles the evening of the same day; but such amount is comparatively small, and I can say I now get all, or nearly all, by advertising.

Question. What is the result of your experience of the comparative

merits to the government of these different modes of obtaining supplies?

Answer. My opinion is, take everything into consideration, it is better to get them through advertising. I think, however, that by the advertising system we sometimes run a hazard of getting supplies of not quite so good a quality, but I am inclined to think that economy is in favor of advertising in the long run. I always have a fear that I may be compelled, under the advertising system, to take stores of not quite so high a grade as I would like to forward—stores having the proper keeping qualities, which would enable them to resist all the incidents they are liable to meet with in the service. I have always aimed to buy stores which I called first qualities, but not going into fancy grades, and then to put them up in the best manner, so that there would ultimately be but a small loss. I have generally, so to speak, accused myself of purchasing stores of rather higher grade than most commissaries. I have had some experience upon the frontiers, in California and Mexico, and by watching the final disposal of supplies, and seeing what became of provisions, I have found that it is better and more economical to purchase stores of a decidedly good quality. The danger is that, under the advertising system, in which the supplies are furnished by the lowest bidder, the purchaser may sometimes get provisions of not so good a quality as he would if he went into the open market for them.

Question. When you propose for certain articles do you consider yourself obligated to take the articles?

Answer. Not unless the price is reasonable.

Question. After you have advertised for proposals, have opened the bids, and you have accepted one bid out of a dozen, do you not consider yourself bound to take the articles furnished by him at the price proposed?

Answer. Yes, sir.

Question. And if he keeps his contract you get the quality of stores advertised for?

Answer. I can only answer that in this way: the bids come in with samples of everything which can be sampled; for instance, I have been spending a good part of this day looking at coffee samples. One of my clerks is a pretty good judge of coffee. There are samples ranging from a grade almost *fancy* down to what is so poor that I could not take it at any price. Intermediate we have say 15 or 20 specimens. We commence with the cheapest. Will that do? No. Looking at the next, will that do? No. And so we go on, the samples gradually growing better. We come to one which is decidedly better, and worth the price asked, and then we may finally select a quality when the grade below that may possibly have answered, but which we did not quite like to take, and therefore took the next higher one.

Question. You mean by that that your own selection may not prove to be the best selection?

Answer. Yes, sir.

Question. And that if you had been at perfect liberty your expe-

rience would have enabled you to go into the market and improve upon your first information.

Answer. That is what I mean.

Question. What governs you in concluding all your contracts or proposals?

Answer. The price of the article and the quality.

Question. Is each proposal accompanied with a specimen?

Answer. I require a specimen to be sent in of all articles of which specimens can be conveniently furnished.

Question. Are you governed by the lowest price of the same article?

Answer. I aim to be, but I may make mistakes. In reference to such things of which I cannot have samples sent to my office, such as meats, we have to go to see them, unless, as now, I have a competent agent to inspect my meat.

Question. Do articles which are prepared in this new mode—desiccated articles—differ much in quality?

Answer. Yes, sir; they may differ much, according to the mode of their manufacture; and where there are mixed articles, one mixture may be better than another; one may have a predominating amount of the cheaper and coarser vegetable.

Question. Do these coarse vegetables, cabbages and potatoes, admit of any great range in quality?

Answer. There may be considerable difference.

Question. The process by which they are manufactured does not admit of much variation, does it?

Answer. I do not know. We are getting to make them in this country; until recently we have depended upon foreign manufactures for the articles.

Question. Is the government now purchasing the foreign or the domestic article?

Answer. I made an arrangement in April last with Mr. Cassin, agent or importer of the French article, in order to make sure of having enough to meet the current demand, and until perhaps our domestic manufacture should be more advanced. I contracted with him for 150,000 pounds of mixed vegetables and potatoes from the great house in Paris for manufacturing desiccated vegetables, that of Chollet & Co., provided they could give them to me by the 30th of September, 1861.

Question. What other articles are submitted to this desiccating process besides cabbage and potatoes?

Answer. They are beans, peas, and, to some extent, most other vegetables.

Question. Are there local companies here who prepare these articles of mixed vegetables?

Answer. Yes, sir; there is a company in Newburg which manufactures them, and I do not know but some of their articles are quite as good as the foreign.

Question. Have you advertised for proposals to furnish supplies of that kind upon contract?

Answer. In the advertisement which came out on the 26th of last

month, the proposals under which have just now come in, I advertised for one week's supply to come in on the first of October, when my arrangement with the foreign house closes.

Question. Have these proposals come in so that you can give an opinion as to the result?

Answer. I am not sure that any proposals came in for mixed vegetables, not having yet examined them all.

Question. Is that the only proposal for that article you have invited this season?

Answer. I issued for proposals last month—the month of August—for desiccated vegetables and potatoes, but it was somewhat of a mistake upon my own part. I made my scale of rations, which were to be forwarded to Washington each week, and put down all the articles I was to forward, and among them I put down the amount of desiccated potatoes and mixed vegetables which I judged should be forwarded; and when I handed the list over to my clerk to make out the advertisement to be put in the papers, he made it out to embrace desiccated potatoes and mixed vegetables. It was a mistake, because at the moment I forgot that I was under obligation to take mixed vegetables from the Paris house. My clerk called my attention to it after it was published, and asked me if he should strike it out. I told him it made no difference, that I must adhere to my arrangement with the Paris house. I did not give the contract to the person who answered by a proposal, and whose proposal was the lowest, because I felt under obligation to take the articles under the previous arrangement, which I had made from the best motives. That has been the ground of a little complaint and a little fault finding.

Question. What was the difference between that proposal and the price you are thus under obligation to pay?

Answer. I think that the proposal was for 18 cents per pound, and I was under obligation to pay to the Paris house twenty-three cents and three mills. I believe there was that difference in favor of the article of mixed vegetables prepared here.

Question. That did not embrace the article of potatoes.

Answer. The same bidder also proposed for potatoes, and put them in at eight cents per pound; and another person in this State proposed to supply the same for eleven cents. I took samples of both to my own table and tried them, and that offered at the lower price I was afraid to take, and therefore I rejected it, and took the other American article.

Question. In the article of potatoes, then, you were induced to take the higher priced article solely because of the difference in quality?

Answer. Entirely. In the first place, I did not think that either of them was of first rate quality, and the first day I laid them both aside. But the next day I got an application from my chief in Washington asking for desiccated potatoes, and I did not know where to get anything of that kind unless I took the best of these two samples. I then concluded I would try one lot of this American manufacture. It was a passably good article.

Question. How many of that kind did you take?

Answer. 6,000 pounds, about.

Question. Was that the amount you advertised for?

Answer. It was about the amount I advertised for, for one week's supply.

Question. Did you extend the contract?

Answer. I did subsequently, and gave the parties directions to go on and furnish four week's supply at the same rate.

Question. Who made those two bids?

Answer. The company whose bid for mixed vegetables and potatoes I did not accept have their headquarters, I am told, at Newburgh, and their office at 56 South street. The other parties were two young men by the name of Robinson & Wilcox, starting here, I believe, somewhat under the auspices of Messrs. Howland & Aspinwall.

Question. Are the proposals you receive sealed proposals?

Answer. I do not consider them *technically*, such, though the envelopes are in fact sealed.

Question. You are aware at the time, who makes the proposals?

Answer. Yes, sir; they are always signed by the individuals making them.

Question. What proportion of supplies for the army at Washington are procured by you at this point?

Answer. I am not advised what proportion are obtained from other quarters. My directions this morning are to increase my weekly supply of rations from 600,000 to 1,000,000. In my direction to furnish the 600,000 I was instructed to omit the salt meat portion of the rations for the fourth week, and in my directions received to-day to add 400,000 rations. I was instructed to send only half the usual amount of meat and breadstuffs, as it was hoped to obtain flour at Georgetown and elsewhere. And this morning I was instructed to send only 200,000 rations of meat, as the Secretary desired a portion of the meat to be purchased in Philadelphia. And thus in forwarding a certain number of complete rations the proportion of the different articles is varied.

Examination by Mr. Holman.

Question. I understood you to refer to occasionally receiving letters from persons holding employment under the government, introducing parties who desired to make contracts. I desire to know whether you have occasionally received letters from persons holding employment under the government, the Secretary of War, or any person connected with the commissary department in Washington city, introducing parties, and expressing any wish that you should enter into contracts with them for furnishing supplies?

Answer. I should wish to be exact in answering such a question. I recollect one instance in which a gentleman came to me exhibiting to me a letter which was addressed to himself by the Secretary of War, seeming to invite him to a position to serve the interest of the public service. Afterwards the same gentleman came to me introducing a gentleman whose name I do not recollect, who had a note of introduction directly to myself from the Secretary of War. I think it stated that he was a man from Albany, that he was well versed in business,

and that it would be gratifying to him if I could employ him, or something to that effect. I have not got the letter, because the gentleman, perhaps, forming the opinion that I did not need his services, when he arose to leave took up the letter and carried it with him. I did not interpret the terms of that letter, or of any other one, as indicating or intimating a wish that I should swerve from the straight line of my duty. Sometimes a person gives a letter of introduction with the hope, perhaps, that the man who receives it will throw it under his table.

Question. Who was the first gentleman that came to you?

Answer. Alexander Cummings.

Question. What was the date of that letter?

Answer. I do not remember. The first call made upon me by Mr. Cummings was the 24th of April.

Question. You do not remember the name of the Albany gentleman?

Answer. I do not; but he did not call upon me when Mr. Cummings first called. I received several calls from this gentleman; and subsequently he came in and presented the gentleman with the note of introduction from the Secretary, which I was not quite quick witted enough to take as belonging to my office, and which was picked up by him with the remark, as I understood it, that it might be of some service to him. I do not know anything more about him than what I obtained in this brief interview.

Question. You did not have occasion to employ him in the service of the government?

Answer. No, sir; the letter was not mandatory, merely asking him to assist the purchasing officers of the government; and I recollect saying to him, in substance, that my business had not as yet expanded beyond the limits of the machinery I already employed to meet that; if the department should require me to send off three or four vessels a day I might have to employ other additional aid. It was not long before his visits ceased to be made upon me.

Question. You did not employ Mr. Cummings in any matter connected with your department.

Answer. Not at all.

Question. The letter of the gentleman from Albany you considered as addressed to you officially.

Answer. I did, and I thought of requesting that gentleman to return it to me that I might put it on file in my office.

Question. And the letter of the Secretary to Mr. Cummings was addressed to himself.

Answer. Yes, sir.

Question. Is it, or is it not, in the line of your official duty to purchase or charter vessels for the government?

Answer. It is not.

Question. You never had any occasion to devote any attention to that department of business.

Answer. I have nothing to do with vessels.

Question. Do you know in what employment, in connexion with the government, Cummings was afterwards engaged, if any?

Answer. I know nothing of my own knowledge.

Question. Is this letter from the Secretary the only communication from the Secretary which you have seen?

Answer. Perhaps one or two other persons, desirous of furnishing something to the government, have come to me with letters of introduction.

Question. And you occasionally found it to the interest of the government to make contracts with such persons.

Answer. Yes, sir. Recently persons who reside at quite a distance from the city are making proposals; and when I can reach them at all properly I am disposed to extend the patronage of my office to them, provided I am satisfied that the promises will be kept, though what is so furnished is received and inspected here, and from this point I ship the goods.

Question. Do you remember of having received letters of a similar character from other officials in Washington or Albany?

Answer. I have had a great many letters of introduction and recommendation. You know that when persons want to approach a public officer they think they must come fortified with some great name, instead of showing their sample of soap, if you please, which would be quite as efficacious.

Question. Do you recollect of receiving any number of letters from persons in the employment of the government, secretaries, or those under them, or persons connected with the conduct of affairs at Albany?

Answer. I think I have had recommendatory notes brought to me—I think from the Assistant Secretary of War, and from the governor of the State. I know I have from the mercantile house of the governor of the State, and think I have from the governor himself; but those notes have never made any more impression upon me than if they had come from other parties.

Question. Are you acquainted with George D. Morgan, who has been connected somewhat with the action of the government in the purchasing of vessels?

Answer. I have been called upon once or twice by a Mr. Morgan, a member of a mercantile house in this city, as I believe; but whether he has had any connexion with the purchase of vessels I cannot say. He called upon me in reference to shipping some subsistence stores which, as I understood, had been purchased by or for Mr. Cummings, or something of that kind.

Question. What connexion did he seem to have with that matter?

Answer. I supposed that he was engaged in furnishing and shipping provisions which had been taken up by Mr. Cummings. That was the inference I drew from a memorandum and a paper which were sent to me.

Question. Were those purchases of Cummings made through Mr. Morgan?

Answer. I cannot say. I only know I received through the post office a memorandum, in the form of a letter, addressed to the Secretary of War by Mr. Cummings, a copy of which, as he stated in a note, he had been directed to send to me; and also a memorandum

handed me from the same house, embracing, apparently, a part of the same articles which were furnished for shipment, and contained in Mr. Cummings's letter to the Secretary.

Question. For what purpose was a copy of this letter left with you?

Answer. It seemed that Mr. Cummings had orders from the Secretary of War to report his transactions to the officers connected with the duties which he had to perform; and as this was for the purchase of provisions he seemed to be under obligations to send me a memorandum of the stores he had shipped.

Question. For what purpose was Cummings authorized to make these purchases; was it because you were unable to execute the duties?

Answer. It was not for the latter reason. I am not able to say why he was so authorized. Under the letter he received from the Secretary he was requested to assist the purchasing officer, but I did not then require any assistance. Those purchases, I took it, he made himself, though I do not know it. I only know that he sent me—or rather that I received—a copy of his communication through the post office.

Question. But the copy was signed by Cummings?

Answer. It was, apparently. A part of the articles purchased came through or from the house of E. D. Morgan & Co., as I supposed, for a special memorandum was handed to me from that house of a part of the articles which were being shipped on one of the steamers, on which Cummings stated he had shipped those purchases.

Question. To whom did Cummings render his account?

Answer. Not to me.

Question. Did you intimate to the Secretary of War, or to the head of the department in Washington, that it was necessary to bring additional assistance into the field for the purchase of provisions?

Answer. No, sir; not all.

Question. Had you any communication with the Secretary of War, or with the head of your own department, after you saw this letter addressed to Cummings, as to the necessity of additional assistance?

Answer. No, sir. When I received that communication through the post office from Cummings, as I supposed, I had my clerk make an exact copy of it, and I forwarded the letter to my chief at Washington, saying merely that I had received the same through the post office. Immediately afterwards I was informed that the Secretary of War had said that he would stop Cummings's performances, or something like that.

Question. Where they stopped?

Answer. I never knew of his making any other purchases. I did not interpret that letter of the Secretary of War as authorizing him to make any purchases. I retained a copy of that letter.

Question. Can you furnish the committee with a copy of the letters you have spoken of?

Answer. Yes, sir.

Question. How long have you been connected with your present department in this city?

Answer. Ever since the autumn of 1855. I had been stationed here before I went to California.

Question. How many years had you been here previously?

Answer. Before the Mexican war, nearly five years.

Question. Are you aware that any person in this city connected with the government intimated to the Secretary of War that additional aid was necessary to furnish supplies for the troops?

Answer. I am not.

Question. Has anything occurred, so far as your knowledge extends, from which the department at Washington could infer that any additional aid was necessary?

Answer. I do not know but there might have been some ground for such an inference. There was a committee here, with large resources put into their hands, who forwarded large quantities of provisions. They consulted me about it, and I told them they need not expend money for any articles composing the regular army rations; that I presumed that the government would take care that every soldier they called into the service would have sufficient to eat of the articles composing the army ration, and that they had better expend their money for delicacies and other articles to meet the extraordinary wants of the soldiers. But my advice was seemingly not heeded, and I think they sent forward a large amount of provisions, which, perhaps, were not necessary. But the feeling of the community at that time was such as prompted every man to work to do what he thought was best, and it would not be surprising if mistakes were made in this matter.

Question. For what length of time was Cummings employed in making these purchases?

Answer. His letter from the Secretary of War bears date the 21st of April. The communication he addressed to the Secretary of War, and a copy of which came to me, is dated the 3d of May, and the copy I received through the post office was received the 6th of May. It was signed "A. Cummings, agent of the War Department." The note addressed to me was simply to this effect: "The enclosed is a copy of a letter this day sent to the Secretary of War, who instructed me to communicate my action for the government to you."

Question. Do you know the extent of his transactions for the government?

Answer. I do not.

Question. By whom are your accounts adjusted?

Answer. By the Commissary General of Subsistence, the Third Auditor, and if any law point is involved, they go to the Second Comptroller.

Question. Do you know anything about the payments made by Cummings?

Answer. I do not. I had an official letter from my chief in Washington a few days ago, in which he said that a particular article had not been paid for.

Question. What article was that?

Answer. It was 200 barrels of roasted and ground coffee.

Question. And he required you to make that payment?

Answer. No, sir. No one has called upon me to make that payment.

Question. For what purpose was the subject referred to in the letter?

Answer. My letter stated that it was important that I should quietly trace out the source whence that coffee was derived.

Question. Did it state any reason why it had not been paid for?

Answer. No, sir.

Question. What connexion had Cummings, between the 23d of April and the 3d of May, to that committee to which you referred a moment ago?

Answer. I do not know.

Question. Have you understood from any source, official or otherwise, the amount of money, if any, which was placed to the credit of Cummings?

Answer. I never heard a word upon the subject.

Question. Do you know of any money having been placed by the government under the control of any other person than yourself for the purpose of supplying subsistence?

Answer. I do not think I have heard anything upon the subject. This Union Defence Committee was purchasing articles of subsistence for our troops, I suppose.

Question. What information had you upon that subject?

Answer. I had none, except that some of the gentlemen on the committee, our first citizens, called upon me soon after the committee was formed, to ask me about subsistence stores, and what articles were furnished for soldiers' rations. I think I gave them a list of the different articles, and answered other questions as to what they wanted to know touching my department, and what I was doing; but beyond a general knowledge that they forwarded a large quantity of provisions I had no information.

Question. What do you know of the connexion of Grinnell and Draper with the expenditure of public money in this city in connexion of commissary matters?

Answer. I do not think I heard anything upon the subject.

Question. Have you had time yet to investigate that coffee matter?

Answer. I got a shrewd and excellent gentleman, who, I thought could do it better than I could, to investigate that matter. He is a man of whom I buy a good deal of coffee, and who buys a good deal of that article. I got a note from him to-day saying that he had not yet been able to devote much time to it, but perhaps he would yet be able to do so. I have not yet picked up any definite information upon the subject.

Examination by Mr. Dawes.

Question. Was there any intimation in the letter to you of the reason why it was desirable to trace the source of that coffee?

Answer. I think the conclusion of the letter was that they might be able to explore a fraud.

Question. Whom do you mean when you speak of your chief?

Answer. I refer to J. P. Taylor, assistant commissary general of subsistence, in Washington.

Question. Do you know anything of the manner in which the accounts of Cummings were adjusted.

Answer. I received a telegraphic despatch from the chief of my department, on July 17, inquiring whether any bills of A. Cummings had ever been presented to me. I replied in the negative.

Question. You spoke of furnishing meat in your rations—sometimes full rations and sometimes part rations: do you mean by that that you sent on cattle?

Answer. No, sir; but I have sent cattle to Fort Pickens and Forts Taylor and Jefferson, forts in the Gulf.

Question. Did you do anything of that kind in April last?

Answer. I sent none to any place north of the Gulf forts except once to Fort Monroe.

Question. Had you occasion, about that time, or at any time, to communicate with the government at Washington touching the price of beef here?

Answer. I think not.

Question. I suppose the butchers here made tenders of beef to you; did they not?

Answer. I purchased beef cattle only twice, I think, so that I could not regard myself as very carefully posted up.

Question. How did you obtain your rations of beef?

Answer. I made one or two contracts here; for instance, one for beef to be supplied to the Sickles's brigade. I made the contract with the lowest responsible bidder to furnish fresh beef at that camp.

Question. How as to the 600,000 or 1,000,000 of rations; are they furnished under contract?

Answer. They are now.

Question. When you purchase them, you have occasion to know the price of beef.

Answer. I send only salt beef to Washington.

Question. Could not the department at Washington have known the price of beef here by consulting with you at any time?

Answer. Yes, sir; I could have got the information.

Question. And if the department had had occasion to purchase 10,000 head of cattle, you could have told them how they could have got them in this market?

Answer. Yes, sir; the whole matter of purchasing cattle in this city is thoroughly systematized.

Question. And you being here in the line of your duty, the department would have had a right to call upon you for information?

Answer. Unquestionably.

Examination by Mr. Holman.

Question. Independent of the purchases made by you, and those which may have been made by Cummings, do you know of any other purchases having been made by any other persons for the subsistence department for or on account of the government?

Answer. I do not.

Question. You have no information of the purchase or charter of the vessel by the government since April last?

Answer. No, sir; nothing more than what I heard at times in the quartermaster's office.

Question. Do you know of any articles of subsistence furnished to the government, since the 12th of April last, besides those furnished through your own department? and if so, state what articles, and through what sources you obtained the information.

Answer. In answer to that, I will say that on the 6th of May I received, through the post office, a communication from A. Cummings, signing himself as agent of the War Department, addressed to the Secretary of War, giving the names of three steamers and their cargoes, which I supposed to have been purchased by Cummings, under his assumed agency; and also that I received a memorandum of some subsistence stores, a part of the same articles, I supposed referred to in the letter, though stated in somewhat different terms:

“ 54 and 56 EXCHANGE PLACE,
New York, 186 .

250 bbls. sugar,
4,000 candles,

30,000 R. G. coffee,
1,000 bushels of potatoes.

Shipping by Roanoke, under order Sect. War, to Gov. Morgan and Mr. Cummings, to Washington.”

Question. Nos. 54 and 56 Exchange Place, then, is the location of the business house of E. D. Morgan & Co.?

Answer. I do not know; but No. 54 is so stated to be in the directory of this city.

A. B. EATON,
Major and C. S. U. S. A.

The following are copies of the communications referred to in the foregoing evidence, as furnished by the witness:

“ WAR DEPARTMENT, *April 21, 1861.*

“ DEAR SIR: This department needs at this moment an intelligent, experienced, and energetic man, in whom it can rely, to assist in pushing forward troops, munitions, and supplies. You are acquainted with the internal arrangement and connexions of the railroads in Pennsylvania, over which, for the present, they will have to come; and while I am aware that your private affairs may demand your time, I am sure your patriotism will induce you to aid me now, at some loss to yourself. With this view, I will thank you, in connexion with the officers of the army and navy, to assist in getting vessels, or arranging with the railroad companies, for the accommodation of the troops as fast as they are ready to march to their destination, and also to assist them in making purchases, or other arrangements, and to communicate, at the earliest moment, any information of service to this department.

“ Very respectfully,

“ SIMON CAMERON,
“ *Secretary of War.*

“ ALEX. CUMMINGS.”

“ NEW YORK, *May 3, 1861.*

“ SIR: Acting under your instructions to me under date of April 21, 1861, I have purchased and shipped the following articles for the government by the conveyances named :

“ By steamer Cataline :

25 boxes soap,	600 hams,
6 bbls. dried beef tongues,	12 bbls. white beans,
25 casks Scotch ale,	10 casks London porter,
12 bbls. pickles,	6 bbls. split peas,
200 cheeses,	25 firkins good butter,
35 quintals codfish,	300 boxes selected herring,
210 bbls. hard bread,	18 head beef cattle.

By steamer Roanoke :

75 bbls. army mess pork,	1,365 bbls. pilot bread,
73 bales blankets,	73 bbls. beans,
200 bbls. ground coffee,	183 bbls. yellow sugar,
235 $\frac{1}{2}$ -boxes adamantine candles,	40 sacks Ashton salt,
1,000 bushels potatoes,	48 bbls. super. flour,
20 $\frac{1}{2}$ -chests tea,	32 cases palm leaf hats.

By steamer Chesapeake :

17 cases linen pantaloons,	435 bbls. pork,
37 tierces hams,	111 head beef cattle.

“ And I have made some other purchases, of not large amount, a list of which I will forward to you when shipped, and a similar list will be sent to the quartermaster, commissary, and ordnance officers here.

“ I have the honor to be, respectfully, your obedient servant,

“ A. CUMMINGS,

“ *Agent of the War Department.*

“ Hon. SIMON CAMERON,

“ *Secretary of War, Washington.*”

“ SIR: I annex copy of letter this day sent to the Secretary of War, who instructs me to communicate with you my action for the government.

“ Respectfully, your obedient servant,

“ A. CUMMINGS, *Agent, &c.*

“ Major EATON,

“ *U. S. Commissary, New York.*”

NEW YORK, *September 6, 1861.*

ALEXANDER CUMMINGS, being duly sworn, was examined as follows:

Examination by Mr. Dawes.

Question. Please state your residence and place of business.

Answer. My place of business is in New York, but my family is still in Philadelphia.

Question. Where has your business been until lately?

Answer. For several years past I have resided in Pennsylvania, and my family are there now, though I have myself been here most of the time for 18 months past.

Question. What is your business?

Answer. I have been publishing the "World" newspaper, and came to this city for the purpose of starting it, perhaps as far back as February, 1860, for the first time.

Question. And since that time your business in this State has been in connexion with that paper?

Answer. Yes, sir.

Question. What was your business previous to that?

Answer. I was publisher of the "Evening Bulletin" for about 12 years.

Question. Have you been in any other business during that time?

Answer. No, sir; not specifically engaged in business, though I have had more or less business transactions. I had, previous to that, been connected with the express companies, by the Pennsylvania route, through Philadelphia and Pittsburg.

Question. Have you, since the breaking out of the present difficulties, had any connexion with the government in any business transactions?

Answer. Yes, sir.

Question. When did that connexion commence?

Answer. At about the time of the interruption of the regular railroad communication between this city and Washington, in April last.

Question. Under what authority?

Answer. First by a letter from Secretary Cameron to myself, asking me to take such steps as would supply the deficiencies caused by the interruption of communication so far as I could, and subsequently by another letter addressed to Governor Morgan and myself, jointly.

Question. Have you the first letter?

Answer. I have not either of them here, but I will furnish the committee with a copy of them.

Question. What was the date of the first letter?

Answer. It was dated between the 19th and 24th of April.

Question. What was the date of the second one?

Answer. It was dated only a few days after the first one.

Question. Under the first letter what did you do?

Answer. Very Little. I can hardly say that anything was done by me, further than to aid what I could by advice.

Question. Did you make any purchases on behalf of the government?

Answer. None.

Question. Did you expend any money?

Answer. No, sir, not directly.

Question. With whom did you counsel?

Answer. With several gentlemen: Mr. M. H. Grinnell, Mr. R. M. Blatchford, General Sandford, Mr. Blunt, Mr. Weed, and, I am sure, quite a number of other gentlemen.

Question. And with the Union Defence Committee?

Answer. No, sir, I do not think I did. I advised with some of the members of the Union Defence Committee, but I was not at the room of that committee. I did not consult with them as members of that committee, but merely as individuals.

Question. Touching what matters?

Answer. Mainly the forwarding of troops.

Question. That was previous to the receipt of the joint letter?

Answer. Yes, sir.

Question. Was it in reference to forwarding troops from any particular State?

Answer. Mainly from here.

Question. Was it also in reference to engaging the means of transportation?

Answer. Yes, sir.

Question. What steps did you take in that particular under the first letter?

Answer. I acted but very slightly under the first letter.

Question. Did you take any steps to secure the transportation of troops, either by water or by land?

Answer. Not directly.

Question. Did you have any conversation with those who had the means of transportation, either by water or by land?

Answer. Under the first letter very little directly. Probably, in my consultations, I saw some of the owners of vessels.

Question. How did the second letter differ from the first?

Answer. As near as I can remember it, it gave Governor Morgan and myself authority directly to act, and simultaneously with that authority there was a fund placed in the hands of Mr. Opdike, General Dix, and Mr. Blatchford.

Question. From whom did you obtain that authority?

Answer. From the War Department.

Question. What were you and Governor Morgan authorized to do?

Answer. It authorized us to draw upon the funds in those gentlemen's hands.

Question. By whom was the fund placed in those gentlemen's hands?

Answer. By the Secretary of the Treasury and by the Secretary of War, jointly, I think.

Question. But it was placed there subject to your order?

Answer. Subject to our joint order, or to the order of either of us,

I think. Either of us was authorized to act in the absence of the other.

Answer. To act in what capacity?

Answer. In procuring and forwarding supplies and forwarding troops.

Question. Have you acted for the government under any other authority than that contained in those two letters?

Answer. No, sir.

Question. Have you acted in any other capacity than that indicated in those two letters?

Answer. No, sir.

Question. Give the committee a history of your doings under the second authority.

Answer. Governor Morgan finding it difficult for him to be here to act under the second letter, asked George D. Morgan to act in his stead, and he and I acted mostly together.

Question. Governor Morgan constituted George D. Morgan his substitute?

Answer. I suppose that is so.

Question. And he acted with you in the capacity, as you supposed, in which Governor Morgan was to act?

Answer. Yes, sir.

Question. Do you know whether he had any other authority than that derived from Governor Morgan?

Answer. I do not know, but I desired to have some one act with me, if Governor Morgan could not.

Question. You had no authority from the government to George D. Morgan?

Answer. No, sir.

Answer. Give the committee a history of your own doings separate from the joint doings of Morgan and yourself.

Answer. Under that authority I signed requisitions for that committee for expenditures which they had incurred, and for which my requisition was necessary in order to draw the money even from themselves.

Question. Then they had done something besides receiving the money?

Answer. Yes, sir.

Question. What did they do?

Answer. Their doings were confined mainly to the purchase of supplies, but I think they also chartered some vessels.

Question. For what amount did you draw requisitions upon them for the supplies furnished and the vessels chartered by them?

Answer. I made requisitions upon them for about \$90,000—part of which was afterwards sent to pay for charters—and funds were furnished subsequently by the government to pay for vessels they had chartered or agreed to pay for.

Question. You authorized them as officers of the government to pay themselves as private individuals \$90,000 for expenditures which you approved?

Answer. Hardly that. I supposed they were authorized by the government to make purchases.

Question. Have you any knowledge upon that point?

Answer. I so construed the letters which came both to them and to myself.

Question. As general authority?

Answer. Yes, sir; as general authority.

Question. Can you give me any account of their proceedings for which you thus drew requisitions upon them to credit themselves with?

Answer. I cannot, but their vouchers are all prepared and will show for themselves.

Question. Have you the vouchers?

Answer. No, sir; Mr. Blatchford has them.

Question. He has the vouchers upon which you authorized him to pass to his own credit money in his own hands?

Answer. Yes, sir; I understand that the committee has them, and Blatchford was the acting man.

Question. Tell the committee what was the character of their proceedings.

Answer. They were confined principally to the purchasing of supplies, and, I think, some arms, and perhaps the chartering of some vessels.

Question. To what extent did they purchase arms?

Answer. I do not know to what amount. I cannot recollect.

Question. Can you tell where they purchased those arms?

Answer. I cannot at this moment.

Question. Can you tell what disposition they made of them?

Answer. I cannot.

Question. Were they infantry arms?

Answer. I understood they were muskets or rifles.

Question. To what extent?

Answer. I do not think I can state the number with any accuracy.

Question. What other purchases, except that for arms, did you cover with your requisitions?

Answer. I cannot state from recollection other than in general terms.

Question. What was the character of the other supplies?

Answer. My impression is that they were rations, and perhaps there was some clothing, but I cannot say.

Question. In the main, were they rations?

Answer. I would rather furnish those vouchers than to speak from recollection.

Question. You made a personal examination of the vouchers?

Answer. Yes, sir; but a very casual one at the time. I confided very much in them. I felt that they had authority similar to my own.

Question. Then you made requisitions, trusting to them for the integrity of their proceedings?

Answer. Yes, sir.

Question. And you are unable, from any knowledge obtained from them, to recite their acts?

Answer. Yes, sir.

Question. Did you see the authority under which they acted?

Answer. Yes, sir.

Question. From whom did it proceed?

Answer. I think from the Secretary of the Treasury and from the Secretary of War, jointly; from the Secretary of the Treasury, I am sure.

Question. Did it authorize them to make purchases?

Answer. So I understood. But I have not seen the document for months.

Question. Can you tell me what the date of it was?

Answer. About the date of my own paper.

Question. To whom was it addressed?

Answer. To those three gentlemen.

Question. For how long a time was it to extend?

Answer. There was no time named. "During the interruption of the communication" was the language used, I think.

Question. Was there any limit to the amount of their purchases?

Answer. I cannot speak definitely as to the phraseology of that paper, as it has been a long time since I have seen it.

Question. Whatever that authority was, they did make purchases, and you did authorize them to place to their own private credit that amount from the money subject to your order?

Answer. The words "private credit" were not used but to themselves as agents of the government.

Question. They had in their hands, as agents of the government, \$2,000,000 subject to your order?

Answer. Yes, sir.

Question. And you say you made requisitions upon them as such agents to pay certain bills which they themselves had made?

Answer. Yes, sir.

Question. To pay those bills to whom?

Answer. To the parties from whom they purchased.

Question. In fact, the transaction is this, is it not: They are constituted the agents of the Treasury Department to hold certain funds subject to your order. You are authorized to make purchases and contracts. You believe, from an examination of their authority, that they also had authority to make purchases; and to refund to them the money they had expended in making purchases, you gave them authority, in some form or other, to reimburse themselves out of that deposit?

Answer. My impression is that the fund was legally subject to my order; but I supposed that they had partial control of that fund as well as myself, although it required my official signature to enable them to appropriate it for any purpose.

Question. You believed they had authority to make purchases, and in pursuance of that they did make purchases to the amount of \$90,000.

Answer. Yes, sir; with the charters included.

Question. And to make themselves whole, you gave them authority to refund themselves out of the money placed in their hands.

Answer. Yes, sir.

Question. You are unable to give further the character of their purchases, other than that there were some arms among them.

Answer. That is my impression, but I would not like to be positive.

Question. Are you certain as to any particular purchase they did make?

Answer. I am not.

Question. Did they make payment for the charters?

Answer. I suppose so.

Question. What ships did they charter?

Answer. I cannot now recollect the names of the vessels.

Question. Do you remember any charter-money which they had paid, or had become obligated to pay, and which you thus covered by your requisition upon them?

Answer. There was charter-money included in the \$90,000, which they had paid or had obligated themselves to pay. I regarded them not merely as custodians of the money, but as having authority, like myself, to expend the money.

Question. And you made requisitions upon them for the amount they had expended from time to time.

Answer. Yes, sir.

Question. Covering about how much time?

Answer. A period of not more than ten or fifteen days from the time I first received my authority.

Question. In the authority which was given to you to make these purchases, and to draw upon these men to the amount of \$2,000,000, to whom were you required to make report of your proceedings?

Answer. To the War Department.

Question. How often?

Answer. From time to time—frequently.

Question. How often have you been in the habit of making reports of your proceedings?

Answer. The statements of most of the transactions were forwarded immediately after they were made.

Question. Whenever you have made purchases you have drawn for the pay, and then reported to the War Department?

Answer. Yes, sir.

Question. In what form did you make your reports?

Answer. In detailed statements of what had been forwarded.

Question. Did you furnish any vouchers to the gentlemen upon whom you drew?

Answer. No, sir.

Question. And the vouchers which were the authority upon which you drew to cover their own purchases they kept themselves?

Answer. I have had them, but they have them now.

Question. What have you in your hands to show that those were proper expenditures?

Answer. I have access to those vouchers at any time.

Question. Have you anything in your own custody?

Answer. No, sir; nothing but the authority to recognize their acts.

Question. The authority to recognize their acts contained in your general authority?

Answer. That is all.

Question. What has the War Department to show that that \$90,000 was properly expended?

Answer. I think either the War or Treasury Department has a statement from those gentlemen.

Question. Have they anything from you?

Answer. No, sir.

Question. Have you any particular knowledge of the statement or statements which those gentlemen made to the government?

Answer. No, sir; not in detail.

Question. Do you know of any case of the chartering of ships where the charter-money was to be paid before it was earned?

Answer. No, sir.

Question. How could those gentlemen have been called upon to pay charter-money during the space of ten or fifteen days unless they paid it before it was due?

Answer. I cannot speak definitely upon the subject; but vessels may have returned in that time.

Question. Do you know of any case where they were obliged to pay the charter-money before it was earned, or of any case where the charter-money was earned during the space of that fifteen days?

Answer. I cannot, for I do not now remember the vessels.

Question. Who loaded the ships thus chartered?

Answer. I do not know.

Question. Do you know with what they were loaded?

Answer. I do not entirely. I know they took on troops and supplies.

Question. Troops from what quarter, and to what point?

Answer. From here to Annapolis.

Question. Then you think you paid in that \$90,000 charter-money earned during that fifteen days for taking troops from here to Annapolis?

Answer. I think so. There were some ships chartered which I subsequently drew money for from them.

Question. You have access to those vouchers?

Answer. Yes, sir; they can all be produced, and I will produce them to the committee.

Question. Give us in detail your own individual proceedings independent of this \$90,000.

Answer. After consultation with Mr. Morgan, under this authority of the War Department and of other letters of that department urging the necessity of action on account of their being in great peril, and want of supplies and means of defence, I took steps to procure some supplies and to forward troops by several vessels.

Question. And what amount of supplies have you purchased up to this time?

Answer. This authority extended over a period of fifteen days, when I received a letter from the Secretary of War, saying that the communication had been reopened, and that the purposes of my appointment were now accomplished, and the necessity for it having ceased, there would be no further occasion for action outside of the

regular authorities of the government. The authority under both letters ceased at the expiration of about fifteen days from the date of the last one, and probably from the date of the first one. There also came at the same time a letter from the Secretary of the Treasury to those gentlemen I have named, asking them to deposit with Mr. Cisco the remaining funds in their hands. They accordingly deposited with Mr. Cisco, in round numbers, \$1,750,000.

Question. The whole of your proceedings under both letters covered how much money?

Answer. About \$250,000.

Question. \$90,000 of which was to refund those gentlemen what they had themselves expended?

Answer. Yes, sir; that is my recollection.

Question. And that left you \$160,000 with which to cover your own expenses?

Answer. Yes, sir.

Question. Tell us what was the character of your purchases.

Answer. They were almost wholly supplies. Some money was expended in chartering ships and purchasing coal.

Question. What amount of clothing did you purchase?

Answer. Probably not over \$25,000 worth.

Question. Of whom did you purchase clothing?

Answer. I cannot recall the names now. They were nearly all strangers to me. I will produce the vouchers.

Question. Did you purchase the clothing in the market?

Answer. Yes, sir. I called to my assistance a clerk, through whom I purchased what I could.

Question. What were the clothes, full suits?

Answer. No, sir. There were two items which covered the larger part of the purchase—pantaloon and hats.

Question. What did you do with them?

Answer. I forwarded them to Annapolis.

Question. On what requisition did you purchase hats and pantaloons?

Answer. No requisition.

Question. How came you to purchase hats and pantaloons rather than anything else?

Answer. Because I thought they would be needed, as hot weather was coming on. I had seen the soldiers pass through here with warm winter clothing, which I believed they could not endure when warm weather should come on.

Question. Then you were guided by your own information and judgment as to what would be needed at Washington?

Answer. Yes, sir.

Question. Had you any other guide?

Answer. No, sir.

Question. Had you any limits imposed upon your actions except such as were imposed by your own discretion?

Answer. No, sir.

Question. You purchased such kind, quality, and amount as was dictated by your own judgment solely?

Answer. Yes, sir.

Question. What did you pay for pantaloons?

Answer. I do not remember, but I recollect that information was sought from other dealers, who pronounced them very low. The vouchers will show the price.

Question. Did you buy of any particular firm more than of any other?

Answer. The pantaloons were all purchased of one firm.

Question. Did you buy any considerable amount of any one firm?

Answer. Yes, sir. There was but one item of any considerable amount.

Question. Perhaps you can mention some particular firm of which you bought clothing?

Answer. The main purchase was of linen pantaloons, but I do not remember the firm of which they were purchased.

Question. To what amount was that purchase?

Answer. I will furnish the committee with an exact statement hereafter. I do not now recollect.

Question. Were the caps purchased of another firm?

Answer. Yes, sir.

Question. How many?

Answer. Several thousands, but the exact number I do not remember.

Question. At what price?

Answer. Not more than fifteen or eighteen cents; certainly less than a quarter of a dollar each. They were purchased at a very low figure.

Question. Had you any information which led you to believe that the government at Washington was in need of caps?

Answer. No, sir. I acted upon my own judgment, based upon what I had myself seen.

Question. Had you observed that the troops wore linen pantaloons?

Answer. I have seen them wear such. These were not troops, but volunteers, who had been in the habit of changing their clothing with the season.

Question. Did you consult with any authority as to the propriety of introducing linen pantaloons into the army?

Answer. Not until after it was done. After it was done I talked with Major Sibley, and he said that was not in accordance with the army regulation; but then I had ceased to purchase.

Question. What was done with them?

Answer. They were sent to Washington.

Question. What has been done with them since?

Answer. I have no knowledge upon that subject further than that I have seen them worn by the troops.

Question. What were the caps?

Answer. They were of light materials for summer use.

Question. What became of them?

Answer. They were delivered in Washington, and I understand they were distributed among the troops, especially those working upon the entrenchments, and furnishing them with the only protec-

tion which they had from the excessive heat. I understood they superseded the havelocks to the extent to which they were used.

Question. Have such caps been introduced into the army beyond the amount you purchased?

Answer. I think not. I have no knowledge upon the subject.

Question. What other articles did you purchase?

Answer. Groceries and provisions.

Questions. To what amount did you purchase groceries?

Answer. I cannot recollect. I have the vouchers which will show.

Question. Can you give me the name of any firm of whom you purchased any of those groceries or provisions?

Answer. I think some supplies were purchased of Corning & Co., of Albany.

Question. Do you know what they were?

Answer. I think they were provisions.

Question. Did you go to Albany to see the firm?

Answer. No, sir.

Question. With whom did you do the business?

Answer. With Mr. Davidson, a member of the firm.

Question. Where did you see him?

Answer. At the Astor House.

Question. What was the nature of the supplies you purchased of that firm?

Answer. They were provisions.

Question. Did you ascertain from him beforehand as to his familiarity with that branch of business?

Answer. I supposed he knew all about it.

Question. The provisions were of the kind in which he dealt?

Answer. I supposed so.

Question. Did you seek him out?

Answer. I met him at the Astor House.

Question. Did you seek him out for this purpose?

Answer. No, sir; he came to me.

Question. Then Davidson came to you and proposed to sell you something which you now think was some kind of provisions?

Answer. Yes, sir.

Question. What was the amount of that bill?

Answer. I do not remember. The vouchers will show.

Question. Was it large or small?

Answer. It amounted to several thousands of dollars.

Question. Would it exceed or fall short of \$10,000?

Answer. I cannot say. The bill will show for itself.

Question. Did you see the articles?

Answer. No, sir.

Question. How were they furnished?

Answer. By him; and put on board of the vessel.

Question. What knowledge had you of the quality of the articles furnished?

Answer. I could not have much knowledge of it. That was out of question?

Question. Did you employ any gentleman to see the articles?

Answer. Only my clerk, Mr. Humphreys.

Question. Were those articles brought from Albany here and shipped?

Answer. I suppose so.

Question. Were they in Albany when you made the purchase?

Answer. I suppose so.

Question. Had you any absolute knowledge upon that point?

Answer. No, sir.

Question. What was Davidson's statement to you in reference to that thing?

Answer. That he was familiar with that kind of business—that he knew the value of the articles of which the government were in need.

Question. What business did he say he was familiar with?

Answer. I think, the purchasing of supplies and provisions.

Question. With what branch of the supplies you were then purchasing did he say he was familiar with?

Answer. Mainly beef and pork, I think.

Question. Did he tell you he was of the firm of E. Corning & Co.?

Answer. I assumed that.

Question. Had you knowledge then of the particular business in which E. Corning & Co. were engaged?

Answer. No, sir; except as dealers in produce.

Question. Then you relied entirely on his own statement?

Answer. Yes, sir.

Question. And whether the firm was engaged in the provision business you did not know?

Answer. That was my impression.

Question. Have you ascertained whether the things were ever delivered at all?

Answer. I do not know, from my own personal knowledge, whether they were or not.

Question. Have you any knowledge upon that point?

Answer. My clerk, who made a personal examination of them, said they were all shipped.

Question. What goods did he report were shipped by Davidson?

Answer. I do not remember, but there is a detailed statement of them, which I can furnish.

Question. You do not remember of any article which your clerk reported he had ascertained had been shipped?

Answer. No, not any particular article.

Question. Where did your clerk have an opportunity to see those articles which were shipped by Davidson?

Answer. I suppose he saw them as they were sent on board the vessel, or at the wharf.

Question. What knowledge have you as to whether they were shipped?

Answer. Nothing further than that the clerk assured me he had seen the articles all shipped.

Question. What did he say to you about them?

Answer. That they were shipped and forwarded to the government.

Question. Give me the name of any other house from which you purchased groceries or provisions?

Answer. I think the next largest amount was groceries, but I do not remember of whom they were purchased.

Question. How large an amount was that?

Answer. I do not remember.

Question. Did you go and examine the groceries?

Answer. I did not.

Question. Did you give any directions as to the character of the groceries to be purchased?

Answer. I think George D. Morgan attended to that matter.

Question. Do you know anything about the character of that transaction?

Answer. Nothing further than that the groceries were purchased and sent on.

Question. Do you know what the articles were in the main?

Answer. I do not in detail. I know that coffee was one considerable item, and sugar was one.

Question. How much coffee was purchased?

Answer. I do not remember the amount.

Question. Do you know through what channel the coffee was sent on?

Answer. By one of the ships which took the supplies.

Question. What ship?

Answer. I cannot recollect.

Question. How much coffee was there?

Answer. I cannot recollect.

Question. From whom was it obtained?

Answer. I do not remember.

Question. Had you any other clerk than James Humphrey?

Answer. No, sir.

Question. Is he a resident of this city?

Answer. Not now; but he was here then.

Question. Where did you find him?

Answer. He was recommended to me.

Question. By whom?

Answer. I cannot state.

Question. Do you know what his position was previous to that time?

Answer. I think he was recommended to me by Mr. Thurlow Weed, but I am not sure.

Question. Do you know what his previous business was?

Answer. I do not.

Question. Do you know where he had been in business?

Answer. I do not know whether it was here or in Albany.

Question. Did you ascertain whether he had been in business here or in Albany?

Answer. No, sir.

Question. Did you, before you employed him, ascertain anything about him?

Answer. Yes, sir ; I remember now that Mr. Weed told me he knew all about him, and upon his recommendation I took him.

Question. What did he tell you in reference to the experience of this man ?

Answer. He only told me he was entirely competent and reliable.

Question. Did you ask him what the man had been doing ?

Answer. No, sir.

Question. Did you know when you employed him whether he had been a bookkeeper or a lawyer ?

Answer. No, sir ; I relied upon the statement of Weed that he was reliable.

Question. What compensation did you give him ?

Answer. A small sum, but the matter has not yet been adjusted.

Question. What did you engage to give him ?

Answer. That was not arranged.

Question. What understanding was there between you and him ?

Answer. Nothing further than that he should be compensated.

Question. You talked about no terms ?

Answer. Yes, sir ; but the business was to last but a short time, and it was understood that he should be compensated.

Question. Your business in connexion with the government was closed up in fifteen days ?

Answer. Mainly ; there were payments made afterward for orders previously given.

Question. What has transpired between you and him since ?

Answer. The matter has been talked over between us, but it has not been settled. He has been to me two or three times since.

Question. Did you intrust money to him to expend ?

Answer. I authorized him to make purchases.

Question. And furnished him with the money to make such purchases ?

Answer. No, sir ; I never put money in his hands with which to make purchases.

Question. As to this considerable amount of groceries which were purchased, you never knew where the purchases were made ?

Answer. I heard the names of the parties from whom they were purchased, but I cannot remember their names now.

Question. Do you remember the amount ?

Answer. I did not purchase them ; Mr. Geo. D. Morgan purchased, or ordered them to be purchased.

Question. Who drew upon the fund for the pay ?

Answer. I did.

Question. To what amount did you draw upon the fund for that purpose ?

Answer. I do not remember.

Question. In whose favor did you draw for the payment of the bill of groceries ?

Answer. I cannot remember.

Question. In favor of any particular individual ?

Answer. Undoubtedly ; though the draft may have been payable to bearer.

Question. In whose favor?

Answer. Of course, it was drawn for the party or parties of whom the purchases were made.

Question. To whom did you deliver the check?

Answer. I think I gave the check to Mr. Morgan, as he transacted that business entirely.

Question. Did you rely upon him for the accuracy of the transaction?

Answer. Wholly.

Question. You mentioned the item of coffee; what information have you touching that item?

Answer. I know that the purchases were groceries, and that coffee constituted a considerable item.

Question. Can you tell us how it happened to occur to you that there was coffee among the articles?

Answer. I think Mr. Morgan told me so.

Question. What kind of coffee?

Answer. I never saw it, and do not know.

Question. Nor how much there was?

Answer. No, sir.

Question. Nor by what conveyance it went?

Answer. It went by one of the ships; which one I do not know.

Question. What was the next considerable item of your purchases?

Answer. Hard bread.

Question. And what amount of that did you purchase?

Answer. I do not now remember the precise amount.

Question. Did you purchase it personally?

Answer. My clerk purchased it.

Question. From whom?

Answer. From a house in Boston, I think.

Question. Did you have any personal knowledge of that transaction?

Answer. No, sir.

Question. Did you furnish the clerk with the funds, or did you draw in favor of the seller?

Answer. It was paid for after it arrived here.

Question. Paid to whom?

Answer. Directly to the party selling, I suppose.

Question. By you?

Answer. By my clerk, I suppose.

Question. What was your own personal connexion with the transaction?

Answer. Nothing further than that I ordered the purchase to be made and the article to be shipped. I was spoken to about the subject first, and it was thought to be wise to make the purchase.

Question. Who first spoke to you about it?

Answer. I do not recollect. The reason of my indistinctness of recollection as to articles is to be found in the confusion which existed here during those few days.

Question. What kind of bread was this?

Answer. It was hard bread, such as the army uses.

Question. From what source did you learn that the government would have need of that article?

Answer. I concluded they would need it from the fact of the large number of soldiers which was being thrown into Washington, and of there having been no provision made for them.

Question. Had you any directions from the government to purchase any one of these articles of supplies?

Answer. No, sir.

Question. Well, passing from the bread, what other considerable items were there?

Answer. I cannot recollect the items further than I have already stated.

Question. What vessels did you charter?

Answer. There were several. The Coatzacoalcos was one of them.

Question. Was that chartered by you during that time of fifteen days, and under the authority you have mentioned?

Answer. Yes, sir.

Question. For what purpose?

Answer. To ship troops and supplies.

Question. From where?

Answer. From here to Washington.

Question. What kind of a ship is that?

Answer. She was a large side-wheel steamer.

Question. Of how many tons?

Answer. I do not know.

Question. With whom did you make the contract?

Answer. With Mr. Roberts, the owner.

Question. Did you make a personal examination of her?

Answer. I had previously been upon her.

Question. Did you invoke the aid of anybody else in making this contract with Mr. Roberts?

Answer. I think not, specially.

Question. Did you examine her boilers?

Answer. No, sir.

Question. What was her tonnage?

Answer. I do not know.

Question. For how long a time did you charter her?

Answer. I am not sure whether there was any time specified.

Question. Before the contract was concluded with him what other inquiries did you make for ships to charter?

Answer. What ships were here and what could be had was a subject of constant inquiry at that time, and I heard of a number. Several persons came to see me about ships.

Question. What other ships did you examine?

Answer. I did not examine any ships. I took it for granted that they were what they were represented to be.

Question. What other ships did you go to see before making this engagement?

Answer. I do not think I went to see any ships.

Question. You went to see this particular ship, did you not?

Answer. I do not think I went to see her with a view to chartering her. I had been on her previously.

Question. Then you engaged this ship from your knowledge of her incidentally acquired?

Answer. Yes, sir; and upon the representation of Mr. Roberts and others who I supposed knew.

Question. On what day had you been upon her?

Answer. On the Sunday previous, to see Colonel Burnside and his troops.

Question. Did you acquire any personal knowledge of the character of the ship at that time?

Answer. No, sir.

Question. Had you then, when you engaged the ship, any personal knowledge of her character?

Answer. I said I had no knowledge of her, other than that acquired by a mere casual visit to her.

Question. What personal knowledge, then, had you of the character of this ship previous to thus engaging her?

Answer. I relied mainly upon the representations of her owner.

Question. And that is the extent of your knowledge?

Answer. Yes, sir.

Question. Was this the first ship you ever chartered?

Answer. I do not know which was the first. I chartered two or three about that time.

Question. Was this, then, your first experience?

Answer. This was the only experience I ever had in chartering vessels.

Question. State the terms of the charter-party.

Answer. I cannot.

Question. Cannot you give us the substance of it?

Answer. I cannot.

Question. How much did you pay?

Answer. Either \$1,000 or \$1,250 a day. The price was considered very high, but not more than was being paid at the time, and in the pressure we thought it wise to take her.

Question. For how long a time did the charter-party pledge the government to take the ship and pay that sum per day?

Answer. I think the charter was only to go to Annapolis and back.

Question. Who was to furnish the ship?

Answer. The owner.

Question. Who was to risk her?

Answer. The owner.

Question. All risks?

Answer. I think so.

Question. How many days did the charter actually cover?

Answer. I do not remember.

Question. Tell us how much you paid in all for the charter of this ship.

Answer. The precise amount I do not remember.

Question. What other ships did you charter?

Answer. The "Empire City" was one.

Question. Of whom?

Answer. Of the same person, Mr. Roberts.

Question. Describe that vessel.

Answer. I cannot.

Question. Did you visit her?

Answer. I did not.

Question. Can you tell what her capacity was?

Answer. No, sir. She was a large ship.

Question. Upon what terms did you charter her?

Answer. At about the same price as the other. Not so much I think.

Question. For what duty?

Answer. To carry troops and supplies to Washington.

Question. What other vessels did you charter?

Answer. Those are the only two I can remember.

Question. Do you know whether you chartered any other?

Answer. I am not positive.

Question. Do you know what duties either of those ships did perform under their charters, so made by you?

Answer. I understood that they went freighted with troops and supplies.

Question. Have you any personal knowledge of the loading of either of them?

Answer. No personal knowledge.

Question. What other duties did you discharge under your commission?

Answer. I think I have mentioned about all. I had, however, another authority. During that period I received a despatch from the Secretary of War, authorizing me, in connexion with the assistant quartermaster here, to close a contract under the charter-party for the purchase of the steamer Atlantic. That was a special authority, outside of the general authority, to meet the exigencies and the wants of the government.

Question. What duties did you discharge under that authority?

Answer. I went to the assistant quartermaster, Colonel Tompkins, and sent for Captain Comstock to meet me. And just here, by the way, I may say I had previously consulted him about the charters of those ships, and his information in relation thereto was relied on very much, knowing that he knew all about them. After consulting with him and Colonel Tompkins, I decided not to execute the special authority given to me by the Secretary of War, and decided not to buy the "Atlantic." That was a duty I rather decided not to do. She had been chartered before I had any connexion whatever with the government for a certain period of time, with the privilege, as I inferred from the despatch of the Secretary of War, of the government purchasing her during that time by paying \$350,000.

Question. By whom did you understand she had been chartered?

Answer. I do not know that I knew.

Question. In your transactions did you seek the aid of Captain Comstock?

Answer. I do not know whether I sought him, but probably met

him at the Astor House; I think I encountered him there while I was engaged in this business, and, supposing him to be a competent man, I availed myself of his knowledge.

Question. Did you do so in consequence of any directions you had received?

Answer. No, sir.

Question. Or of any recommendation?

Answer. Not that I remember. In reference to the "Atlantic," I reported to the Secretary of War that I supposed she could be purchased for less after the charter had expired than the government was required to pay under the charter; but she has not been purchased by the government.

Question. Is that the entirety of that transaction?

Answer. Yes, sir.

Question. Are you not mistaken about the Secretary of War communicating with you about this vessel; was it not the Secretary of the Navy?

Answer. No, sir, it was the Secretary of War.

Question. Did you ever have any authority from or communication with the Navy Department upon any subject?

Answer. Never.

Question. Touching the whole matter of your commission, outside of the matter of the chartering of these two vessels, will you tell the committee what particular transactions came under your own personal and individual observation?

Answer. Very little; I confined myself principally to giving the general directions about the business; I could not give attention to the details.

Question. Did you devote yourself pretty much exclusively to this matter?

Answer. Pretty much my whole time.

Question. Did you give any bond?

Answer. No, sir.

Question. Did you take any oath of office?

Answer. No, sir.

Question. Nor of allegiance?

Answer. No, sir; I was loyal, as the government knew. From the nature of their communication to me, I presume the government felt that Washington was in peril, and that the ordinary means of supplying the troops with provisions were not adequate to the exigencies of the moment, and I supposed, from the tenor of the communication, that they were anxious, by taking steps beyond what were ordinarily adopted for the purposes of the government, to render the safety of the capital beyond peradventure.

Question. Has anything ever transpired between you and the War Department touching your compensation for these extraordinary duties?

Answer. No, sir; it was supposed, from the devotion I felt to the government, that the matter of compensation was of minor consideration.

Question. Then, no steps have been taken in relation to it one way or the other?

Answer. No, sir.

Question. Has there been any understanding about it?

Answer. None, in the slightest degree.

Question. Have you rendered to the department a detailed account of all you did?

Answer. Not entirely; I have been delayed in consequence of the difficulty of getting the two accounts together to close them.

Question. Did you make any purchases that went by the "Cataline?"

Answer. I cannot tell; I will not be positive.

Question. Or by the Roanoke?

Answer. It is not unlikely, but I cannot say.

Question. Who directed the route, or the means of conveyance, by which the supplies should be sent to Washington?

Answer. I consulted mainly with Captain Comstock, Mr. Grinnell, and others, as to what vessels were going on immediately.

Question. After your conversation with Captain Comstock, who determined finally the means of conveyance?

Answer. I used the vessels that were ready.

Question. Did any of the supplies you purchased go by any other mode of conveyance than the two steamers you chartered?

Answer. I have no doubt they did, for they were purchased before I chartered the vessels.

Question. You sent them by other vessels?

Answer. Yes, sir, by whatever vessel was going.

Question. Who directed the means of conveyance?

Answer. We availed ourselves of whatever vessels we understood were going.

Question. Give us the name of any ship by which you sent anything, other than the two ships you chartered?

Answer. I cannot.

Question. Have you the means at home by which you can furnish that information?

Answer. I think I can show how I shipped a large amount of it?

Question. Will your bills show?

Answer. No, sir, but the statement forwarded to the War Department will.

Question. Have you a copy of such statement?

Answer. I think I have a memorandum of all goods that were sent.

Question. And the mode of communication?

Answer. I think so.

Question. Can you tell by what mode of conveyance the coffee, the particular article you mentioned, was sent?

Answer. I do not know that I can.

Question. Since the termination of your duties under that commission, have you had any other transactions with the government of any kind?

Answer. Not in the way of contracts. I had one transaction which, perhaps, might come under the scope of your question. When at

Washington, after that, I heard a great deal of clamor on account of the want of shoes. Among others, I had heard General McDowell say there were regiments that could not be marched on account of the want of shoes; and I stated this fact to the Secretary of War. He gave me a letter to the assistant quartermaster at Philadelphia, Colonel Thomas, telling him that if he had not a sufficient supply, to see that a sufficient supply for a force of not less than 200,000 men was obtained, taking care that no greater sum should be paid therefor than the government had before paid. I took that letter to Colonel Thomas, and he authorized me to procure shoes and forward them to him, if I could find anybody to make them. He ordered 75,000 pairs.

Question. What did you do?

Answer. I came to Benedict & Hall, of this city, a large firm in Broadway, very well known, and told them that Colonel Thomas had told me that it cost the government, to make their own shoes, about \$2 20 a pair, which was the amount he had limited me to pay. They said they would undertake to make them at that price, although the government standard really made the shoe worth more than that. They took the order.

Question. When was this?

Answer. It was in May or June.

Question. How soon were the shoes delivered?

Answer. The letter specified that a certain number should be delivered per week; some five or six hundred per week.

Question. That, for 75,000 pairs, would cover a period of 12 or 14 weeks?

Answer. I must be mistaken; it must have been five or six hundred per day.

Question. This authority you obtained upon a report to the War Department that General McDowell said a regiment could not march for want of shoes?

Answer. Yes, sir.

Question. And you made a contract with Benedict & Hall to furnish the shoes?

Answer. I did not make a direct contract with them.

Question. Was the contract in writing?

Answer. Yes, sir; it was contained in the letter of Colonel Thomas.

Question. Was the contract between you and Benedict & Hall in writing?

Answer. I made no contract with them; I merely handed over to them the letter of Colonel Thomas.

Question. Have you any means of determining how they delivered the goods?

Answer. That was set forth in the letter of Colonel Thomas.

Question. To whom was the letter you received at Washington addressed?

Answer. It was addressed to Colonel Thomas, and the authority under which this act was done was contained in a letter addressed to me by Colonel Thomas.

Question. And Benedict & Hall received \$2 20 a pair?

Answer. Yes, sir.

Question. Did you receive any part of it?

Answer. No, sir.

Question. Was there any understanding that you should receive any part of it?

Answer. No, sir; Mr. Hall proposed to compensate me, which I declined.

Question. Was there any commissions received by you?

Answer. No, sir.

Question. Did you, directly or indirectly, derive any benefit from that contract?

Answer. No, sir.

Question. Did Benedict & Hall make you any compensation?

Answer. No, sir.

Question. Had you any other transaction with the government?

Answer. No, sir.

Examination by Mr. Holman.

Question. Where was this \$2,000,000, placed under the control of this committee, consisting of Messrs. Dix, Opdyke and Blatchford, first deposited?

Answer. I do not know.

Question. In what manner did you make requisitions upon that committee for the money? Did you first deliver them the bills and they draw upon the fund, or did you make requisitions for particular amounts and have those amounts transferred to your credit?

Answer. They came to me with bills, for a requisition, saying they wanted a certain amount of money, up to about \$90,000.

Question. I am speaking of the other amounts. Did you furnish them the bills, and did they then draw upon the fund, or did you make requisitions upon them for certain sums and have those sums transferred to your credit?

Answer. I drew the money from them and had the money placed to my own credit.

Question. During that 15 days how many different sums did you draw from under the control of Dix, Opdyke & Blatchford?

Answer. I made not more than three drafts.

Question. What was the amount of each of those drafts?

Answer. I drew for them two separate drafts, and for ourselves, I think, three, Mr. Morgan joining me in one or two of them, I think. The two drafts which I drew for them were \$50,000 each, of which about \$90,000 was for their use.

Question. Making the amount placed to your credit \$160,000?

Answer. Yes, sir; about that.

Question. When you withdrew those sums from under the control of the committee, where did you make your deposits?

Answer. In the Park Bank.

Question. Were they drawn before or after you made the purchases to which you have referred?

Answer. About the same time.

Question. How long after your authority commenced was the last of those \$50,000 drafts drawn?

Answer. I do not remember ; but a few days only.

Question. In whose favor were the two drafts of \$50,000 each, \$90,000 of which went to the committee, drawn?

Answer. In their favor ; one or both of them.

Question. If but one was drawn in their favor, in whose favor particularly was it drawn?

Answer. In favor of Mr. Blatchford, but I am confident the requisitions were in favor of all of the three gentlemen named.

Question. Having drawn \$160,000 from under their control, what disposition was made of the residue of the \$2,000,000?

Answer. I had not anything to do with that, but I understood that they were instructed to deposit it with Mr. Cisco, the assistant treasurer.

Question. Do you understand that this \$2,000,000 had been drawn from Mr. Cisco in the first instance?

Answer. No, sir ; I do not know anything about it. I do not know where it came from to them, but I think directly from Washington.

Question. When you drew upon this committee for the five sums you have mentioned, where were the drafts paid?

Answer. By Mr. Cisco.

Question. Have you settled the bank account with your bankers?

Answer. No, sir.

Question. How does that account now stand?

Answer. My account with the government is not yet settled, but it is nearly square.

Question. How near square is it?

Answer. There is some money in my hands. I have been waiting to obtain the vouchers from Mr. Blatchford, so as to settle the account altogether.

Question. You know the amount of purchases they made?

Answer. Not exactly ; but there was about \$90,000 drawn for them.

Question. And that they amounted to \$90,000?

Answer. Yes, sir.

Question. And you know the amount of the purchases you made?

Answer. Yes, sir.

Question. And that they amounted to \$160,000?

Answer. Yes, sir.

Question. Then, of course, you have drawn upon your bankers for the whole sum of \$160,000?

Answer. Yes, sir ; or nearly so.

Question. And so the account is really balanced. What portion of this sum of \$160,000 was drawn from your bankers, upon orders drawn by yourself, the money upon which went through your own hands?

Answer. The whole went through my hands?

Question. Oh ! no. Mr. Morgan made purchases, and you drew drafts for him, and for other persons from whom you made purchases. When you chartered vessels you drew checks for the parties from whom the charters were made. Now, the question is, whether you drew drafts from this fund in bank, in your own favor, the moneys

upon which came back into your own hands in specie, and which was taken from the bank account? And if so, how much?

Answer. I drew checks at different times, and for different purposes, and thus absorbed the fund, as I have stated.

Question. You say, then, that the whole sum of \$160,000 was exhausted by checks drawn upon the bank in favor of parties with whom you entered into contracts for the government?

Answer. Yes, sir.

Question. And no portion of it in favor of yourself?

Answer. I drew it all.

Question. You did not mix up your own personal account with this account of \$160,000?

Answer. Yes, sir. And I drew from it as I needed it for the purposes I have mentioned.

Question. And you drew no portion of it for any other purpose?

Answer. No, sir.

Question. And then you drew no drafts upon this fund payable to yourself?

Answer. For no other purpose than to pay for these purchases, &c. It went in with my other deposits in the bank.

Question. Then you did not keep in the bank any distinct account for this \$160,000?

Answer. No, sir.

Question. It was placed to your credit as any other fund would be?

Answer. Yes, sir.

Question. But you say to the committee that, to the extent of \$160,000, you drew checks upon the bank in favor of persons of whom you had made purchases for the government.

Answer. Yes, sir; or nearly that amount.

Question. Have you any knowledge of the loading of the steamboat "Cataline?"

Answer. Not a particle.

Question. Have you heard anything upon the subject?

Answer. I have heard what almost everybody has heard, but I know nothing of the matter.

Question. If that vessel was loaded at this port for the government, from your knowledge of the transactions which were taking place at the time, by whom would she have been loaded?

Answer. I do not know.

Question. Have you learned from George D. Morgan whether any portion of the articles purchased by him were upon that boat?

Answer. I have not.

Question. Have you learned from him in what manner any of the articles he purchased were forwarded?

Answer. I understood from him at the time that they were forwarded by the various ships then going.

Question. Did he mention the "Cataline?"

Answer. I do not think he did; if he did I do not remember.

Question. Had you any communication from either the Secretary of the Navy or the Secretary of War, authorizing you to engage George D. Morgan in making those purchases?

Answer. No, sir ; Governor Morgan simply requested him to act in his stead.

Question. What relations did they occupy to each other ?

Answer. They were partners in business.

Question. What kind of business ?

Answer. Mercantile business, but the particular branch I do not know.

Question. Were they grocers ?

Answer. I think not; I presume commission merchants.

Question. What is your information as to whether they were grocers or not ?

Answer. I have not any.

Question. How did you happen to intrust Mr. Morgan specially with the purchase of groceries ?

Answer. Because I thought he knew about that particular business.

Question. Did you expect him to make purchases for the government, or did you expect his house would furnish those supplies ?

Answer. I supposed he would purchase.

Question. Do you know whether he purchased them, or whether he furnished them from his own establishment ?

Answer. I think I learned from him that he purchased them.

Question. And that no portion of them were furnished by the house of E. D. Morgan & Co.

Answer. I think not.

Question. Have you stated the amount of purchases he was authorized to make ?

Answer. I do not know the amount.

Question. Were there more or less than \$10,000 worth ?

Answer. I should say more.

Question. Did you examine, or cause to be examined, the vouchers for the expenditure which he had made ?

Answer. He and I examined them all.

Question. By whom were they signed ?

Answer. They were signed by the parties from whom the purchases were made.

Question. Do you remember the names of any of them ?

Answer. No, sir.

Question. Was there not one single voucher for the whole of the amount of the purchases made and signed by G. D. Morgan & Co. ?

Answer. No, sir.

Question. Was one of them so signed ?

Answer. I am positive there was not, but will produce the vouchers.

Question. Were they not made up by George D. Morgan himself ?

Answer. I think not.

Question. Did he furnish any of them ?

Answer. I am not sure.

Question. When he made the purchases, did you give checks on that fund in favor of the seller, or did you give the checks directly to George D. Morgan ?

Answer. To him, I think. He made the purchases, and paid for them.

Question. And he rendered the bills and receipts?

Answer. Yes, sir.

Question. And you reimbursed him?

Answer. Yes, sir.

Question. Were any drafts drawn in his favor before he rendered the accounts?

Answer. I cannot recollect.

Question. What is your best recollection, if you have any, as to whether it was before or after the accounts were rendered that the drafts were drawn in his favor?

Answer. I am not positive in my recollection upon that point.

Question. If he was acting in concert with you, is it probable that he would use his own money, and then come and ask you for it?

Answer. I cannot tell. I am not sure whether I drew before or after the purchases were made; most likely after he had ordered the articles.

Question. Have you no recollection upon a point of so much importance as that?

Answer. I have not. I should regard the two things as the same.

Question. I desire to know whether you have any recollection whether you placed money in his hands to make purchases with, or whether he made the purchases and afterwards you drew the drafts in his favor?

Answer. My best recollection is that I drew the drafts after he made the purchases.

Question. He got the receipts before he made the payments?

Answer. I cannot tell. It is not likely that he would.

Question. Then, as a matter of course, he made the payment when he brought the vouchers to you?

Answer. I cannot speak of the precise form of that transaction.

Question. Is it not your best recollection that you placed this money under his control, and that then he went and made the purchases, and brought you the vouchers?

Answer. My recollection of it would be that Morgan went and made the purchases, and reported to me what he had done, and received a certain amount of money with which to make the payments; that he made the payments, and brought the vouchers.

Question. That is to say, you furnished the money before he brought the vouchers.

Answer. I took his statement in the place of vouchers for the time being.

Question. Then I understand your better recollection is that you placed the money under his control before the expenditures were actually made?

Answer. I do not say that. I think he had gone and made the purchases before he had the money.

Question. So you intrusted him with these sums of money without any voucher except his own statement?

Answer. I am not confident of that ; I know I have got the vouchers.

Question. Did Mr. Morgan give any security to you or to the government of the United States for the faithful appropriation of money placed in his hands ?

Answer. No, sir.

Question. Had he taken the oath of office ?

Answer. No, sir.

Question. Did Governor Morgan act in this business at all ?

Answer. No, sir.

Question. Did you consult the department to know whether they would be willing to substitute George D. Morgan in the place of the governor ?

Answer. No, sir ; I did not consider that necessary.

Question. Aside from being partners, what relation existed between Governor Morgan and George D. Morgan ?

Answer. I understood that they were related, and for that reason, and because they were associated in business, I took George D. Morgan to represent Governor Morgan.

Question. Did you authorize him to make any other purchases ?

Answer. I consulted with him about the business generally, and I think he knew of many of the purchases I made.

Question. Were you required, in connexion with your duties in this respect, to confer with any regular officer of the government who would have had control of this department of business in the absence of your appointment ?

Answer. I think the first letter referred to the officers of the government, and I called upon General Wool and had his indorsement of the letter. The second letter was more absolute in its terms, and I acted under it without consultation with any officer.

Question. Did you consult with General Wool as to the character of the purchases you made ?

Answer. No, sir.

Question. Did you have any conference with officers of the government who, under other circumstances, would have had control of the department of business in which you were engaged ?

Answer. I went to Major Eaton, assistant commissary here, and I talked with Colonel Tompkins.

Question. Did you make any purchases under their supervision or direction ?

Answer. No, sir.

Question. Did you do any one of the acts which you did do under this authority in concert with either of those officers ?

Answer. I can hardly say that I did.

Question. Did you obtain from them information of the kind of supplies the government would probably want ?

Answer. I did from Major Eaton.

Question. What supplies did he recommend you to purchase ?

Answer. I do not think he made any recommendation, but gave me a list of the army rations.

Question. What connexion had Major Eaton with the government?

Answer. He is commissary.

Question. Did you understand from him at that time that it would be impossible for him to perform the duties of his department?

Answer. No, sir.

Question. Were there officers in the city of New York—and if so, who?—who, in the absence of your appointment, would have had devolved upon them the duties which you performed?

Answer. Yes, sir; Colonel Tompkins was quartermaster, and Major Eaton was commissary.

Question. Had you been informed that those officers were unable to perform the duties which the government required of you?

Answer. Promptness was needed, and I suppose the authority was conferred upon Mr. Morgan and myself because there was not time sufficient to go through the regular official routine.

Question. That is, that those gentlemen could not spare from their ordinary duties the necessary time to make those purchases?

Answer. I suppose they could spare the time, but I supposed it was thought that in order to make the purchases and forward the troops and supplies more despatch was required than the official routine would permit.

Question. Then your object was to get rid of restrictions which were placed upon government officers?

Answer. It was not to get around them, but to expedite the business.

Question. The effect was to get around them?

Answer. The object was to supply the government.

Question. And the reason was that the law imposed a restriction which required these officers to move slowly?

Answer. I was not given any reason.

Question. How long had you been acquainted with Davidson, of the firm of Corning & Co., of Albany, prior to the time when you entered into this negotiation with him for supplies?

Answer. I had simply known him as a citizen of Albany for some time. I cannot tell how long; not more than a year or two.

Question. How long before you negotiated with him did you see him in the city of New York?

Answer. I saw him here frequently last spring.

Question. What connexion had he in this business with Weed.

Answer. None, other than that Mr. Weed had letters from Washington, from the State and War Departments, asking him to aid the government in this matter to the extent of his power.

Question. Was Weed aware of this contract with Davidson?

Answer. I do not know.

Question. Did Davidson come to you with letters from Weed, or any other person?

Answer. No, sir, because I knew Davidson.

Question. Did Weed, by counsel or otherwise, have any connexion with the making of that contract?

Answer. He may have had by counsel, but not otherwise.

Question. Was that counsel given to you personally, or by letter?

Answer. Personally. I sought Mr. Weed's counsel and advice in the matter of purchases.

Question. Could those articles have been furnished more readily from the city of Albany than from the city of New York?

Answer. I do not know that they could, but just as readily. I am not sure that they came from Albany. I do not know but they were here on sale.

Question. Did you authorize Davidson to purchase those supplies?

Answer. I considered that I purchased them from him. I probably requested him to obtain them for me.

Question. You did not know then that he had such articles on hand at the time?

Answer. I supposed he had.

Question. Did you suppose they were in this city, or in Albany?

Answer. I cannot tell where I supposed they were, but I thought he would have the means of obtaining them.

Question. You state that those articles could have been purchased in Albany and as promptly delivered here as if they had been purchased here?

Answer. I did not say that they were purchased in Albany.

Question. But you were acting under the supposition that they were in Albany?

Answer. I am not sure of that. I called upon Davidson because I happened to know him, and because I thought he had the means of furnishing the articles with the utmost expedition.

Question. Is there any such house as E. Corning & Co. here?

Answer. I think not; but Davidson was here.

Question. Were you in constant intercourse with Weed while performing these duties?

Answer. I was frequently with him and other gentlemen.

Question. With Governor Morgan?

Answer. I think I saw him only once. I am not sure that I communicated with him at all during the time.

Question. Had General Dix any connexion with the expenditure of any portion of this money?

Answer. I presumed that all those three gentlemen had.

Question. Were the accounts furnished you upon which you drew drafts for \$90,000 furnished you by those three gentlemen, or by Mr. Blatchford alone?

Answer. By Mr. Blatchford, I think; but I saw the three gentlemen frequently together on business.

Question. Did any of them hesitate to honor your drafts upon them for the money which you were drawing?

Answer. I think they examined the papers very carefully before they did it, and I think they wrote to Washington as to the construction of my authority.

Question. Do you know of General Dix having any connexion with this business other than that, in connexion with the other two gentlemen, he honored the drafts which you drew upon them, and gave you drafts upon the assistant treasurer?

Answer. I knew the three as members of the committee, but not separately.

Question. Do you know of Dix making any purchases without being connected with the other gentlemen?

Answer. I do not. Mr. Blatchford was rather the principal person, though I saw the three together generally when I talked with them upon this business.

Question. In what manner was your authority revoked?

Answer. By letter, saying that the occasion for the authority had ceased.

Question. Were all the articles purchased by you, or under your authority, paid for by drafts upon your banker?

Answer. Yes, sir.

Question. Did Morgan or any other person purchase and ship coffee or any article of groceries which has not been paid for by draft upon your bank?

Answer. No, sir.

Question. You stated that a part of the accounts of your clerk had not been adjusted. What part of those accounts have been adjusted?

Answer. The vouchers have all been examined, and the account of all the articles has been forwarded to the department. I had not intrusted any money to my clerk, and he had no account to adjust.

Question. Did you mean, then, that you had not settled with him in full for his services?

Answer. Yes, sir; I do not consider that I have settled with him at all for his services.

Question. What have you paid him out of the \$160,000?

Answer. Nothing out of that money.

Question. Have you out of any money?

Answer. I can hardly say that I have paid him at all for his services.

Question. Do you mean to say that you have not paid him anything?

Answer. Yes, sir.

Question. What sums of money has he received through any channel that you know of?

Answer. Nothing from me.

Question. Then you can say that in no sense has his account been adjusted?

Answer. It has not been, so far as what is due to him from me is concerned.

Question. Nor from the government?

Answer. No, sir.

Question. Then you say this clerk has given his services without any compensation?

Answer. Not that he is not to get any compensation, but that he has not received any from me nor from the government, nor from the persons from whom those purchases were made, as far I know or have heard.

Question. What have you recommended the department to pay him?

Answer. Nothing.

Question. Has the department made any inquiries upon that subject of you?

Answer. No, sir.

Question. Has he been insisting upon a settlement of this account?

Answer. No, sir. It has been spoken of once, and it was understood that it would be finally adjusted upon the adjustment of this account.

Question. How long since?

Answer. A few weeks ago.

Question. If you had placed to your credit just \$160,000, and have expended all that sum of money, why did you leave his account unadjusted?

Answer. That precise sum was not expressed; but, as before stated, the account is not yet settled. I considered the matter of his services as of minor importance.

Question. What are your own charges against the government?

Answer. I have made none. I suppose it would be perfectly proper to charge a commission if I chose to do so.

Question. And you do not design to?

Answer. I have not intended to.

Question. So that for these transactions and these responsibilities you have assumed, you have neither received any compensation, directly or indirectly, from any person or the government, directly nor indirectly, nor expect to, from any person or from the government?

Answer. I have not.

Question. Has the government called upon you to settle this account?

Answer. The Secretary of War spoke to me about it recently, and I told him as soon as I obtained the vouchers from Mr. Blatchford they should all be forwarded together.

Question. If the compensation of this clerk, then, is waiting the settlement of this account, will you state the reason why he is not paid?

Answer. The account is really not settled, but the question never occurred to me whether he was to be paid by the government or not; but in putting in the final account I shall probably put in a claim for him. It would be proper that he should be paid, though the services were not long. After the work was done, and the time had expired, this matter was left in an unsettled condition. It would not take much to pay him.

Question. How long since you filed your vouchers with the government for the expenditure of the \$160,000?

Answer. The vouchers I still have, but I returned to the department a statement of the articles forwarded.

Question. How long since you made that statement to the government?

Answer. There has been no statement forwarded to the government except a statement of the articles furnished.

Question. Has the government called upon you to furnish the vouchers?

Answer. I do not know as they have called upon me formally, but I have stated that I was ready to forward them at any time.

Question. How long is it since your authority was superseded?

Answer. It was some time in May; but all the transactions were not closed in May. There were some purchases of coal. I waited to have that shipped, and then I waited for Mr. Blatchford to return to the city, in order that I might get the two sets of vouchers and forward them all.

Question. Was the coal purchase an extensive purchase?

Answer. About 2,000 tons.

Question. From whom did you make that purchase?

Answer. Of the parties who are furnishing the Navy Department with coal.

Question. And at the same price?

Answer. Yes, sir.

Question. When did you make the purchase?

Answer. It was ordered about the time their first purchases were made, but it was not all shipped.

Question. Was there any difficulty in the ordinary officers of the government making that purchase under contract?

Answer. They had no contract.

Question. Was there any difficulty in their furnishing articles of that kind?

Answer. Not that I know of.

Question. Through whom was the coal purchased?

Answer. I asked Mr. John Tucker to purchase it, and the reason was that he was in Philadelphia, and was familiar with the whole coal business.

Question. Was there not a quartermaster in Philadelphia?

Answer. Yes, sir.

Question. And a commissary?

Question. Would not that supply naturally be furnished by the quartermaster?

Answer. Yes, sir; it would, if ordered by him.

Question. The quartermaster was a competent person, was he not?

Answer. Yes, sir.

Question. Why did you not do it through the proper officer of the government?

Answer. Because I did not think it necessary. I supposed my authority covered the whole ground.

Question. What business was Tucker connected with?

Answer. He was connected with several coal companies, and knew about the whole business. I asked him to see the party who was furnishing coal to the Navy Department, and he did.

Question. Did he not furnish the coal through one of his companies?

Answer. No, sir; but through the regular naval contractor.

Question. Had he any connexion with the contract?

Answer. Not that I know of. The firm of Tyler, Stone & Co. were furnishing the government.

Question. Where was this coal to be delivered?

Answer. At Fort Monroe and Fort Pickens or Tortugas.

Question. And not by the way of this city?

Answer. No, sir.

Question. Who made the suggestion of the purchase?

Answer. The Secretary of War, and, I think, in presence of the Secretary of the Treasury.

Question. What compensation did you make Tucker for his services?

Answer. None. He asked for none, as he was engaged in the government service at the time.

Question. In what manner?

Answer. As transportation agent.

Question. In connexion with the War Department?

Answer. Yes, sir.

Question. Upon any particular route, or upon routes generally?

Answer. As general agent.

Question. Was his business confined to the Pennsylvania Central railroad?

Answer. He was not confined to any particular route.

Question. Was the effect of this contract to bring the coal over the Pennsylvania Central?

Answer. It never was in the vicinity of the Pennsylvania Central.

Question. Then it was furnished in Philadelphia?

Answer. Yes, sir.

Question. Did you consider a transportation agent a more competent person than the assistant quartermaster at Philadelphia to make this purchase?

Answer. I did not consider the matter in that light. I met Tucker on my way home from Washington, and asked him to do this thing for me, as I considered he knew how to make such a purchase.

Question. What compensation was Morgan to receive for the purchases he made on your behalf?

Answer. None at all.

Question. If neither the assistant quartermaster in this city, nor the assistant commissary, nor yourself, nor George D. Morgan, nor the Union Defence Committee can inform this committee who loaded with pretended government supplies the steamboat "Cataline," can you inform the committee of any mode in which they can ascertain that fact?

Answer. I cannot. The first knowledge I had of the "Cataline" was after Mr. Tucker had been appointed transportation agent. While I was in Washington, after the department had become impressed with the necessity of procuring transportation in a more systematic and less expensive manner, and had appointed Mr. Tucker for that purpose, he asked me to go to the steamboat landing at Washington and see what vessels there were there that could be dispensed with and discharged. He was under the impression that in the excitement a large number of vessels had been procured in New York and Philadelphia that were no longer needed, and which should therefore be discharged. I went down with him to the landing, and after learning of several that seemed to be no longer needed, and after representing to the several persons in charge that the vessels would

be discharged, the Cataline was pointed out as being in the government service.

Question. Where was she then?

Answer. At the landing at Washington.

Question. And that is the only knowledge you had of the vessel.

Answer. Yes, sir; Mr. Tucker said at once that that steamer was of no further use to the government, and proposed to discharge her; but a person representing her said she was chartered for three months, and could not be discharged.

Question. How long was that before she was burned?

Answer. It was several weeks.

Question. Who was the man who had charge of her?

Answer. I do not know.

Question. Did he say upon what terms he would be willing to surrender up the charter?

Answer. I do not think he said anything about it.

Question. Is it not a remarkable thing that a vessel should be chartered and loaded by the government, if such was the fact, and no official in the city of New York know anything about it?

Answer. I take it for granted that there must be some records showing the fact.

Question. (By Mr. Dawes.) You said the clothing consisted mostly of caps and linen pantaloons; that the caps were a cheap article, costing less than a quarter of a dollar each. The pants, therefore, must have been quite a large purchase. Did you make any personal examination of those pantaloons?

Answer. I saw samples of them.

Question. Where?

Answer. At my room.

Question. Who brought them there?

Answer. The parties having them for sale. I cannot recollect their names.

Question. Cannot you give us any name at all?

Answer. I cannot.

Question. (By Mr. Holman.) You are personally acquainted with the Secretary of War?

Answer. Yes, sir.

Question. How long have you been acquainted with him personally, and what are your relations politically?

Answer. I have been acquainted with him for many years, and my personal relations with him are very intimate, and we have been politically acting together for many years.

Question. What connexion has Secretary Cameron, if any, with the railroad interests of the State of Pennsylvania?

Answer. I do not know, except what is known to the public.

Question. What interest are you informed he has had?

Answer. He has never informed me of any.

Question. You understood, at the time you received your first letter from him, that your point of business was to be in the city of New York?

Answer. I suppose I was designated because I was here.

Question. Is this a copy of that communication? (handing to the witness the following:)

“WAR DEPARTMENT, *April* 21, 1861.

“SIR: This department needs at this moment an intelligent, experienced, and energetic man, on whom it can rely, to assist in pushing forward troops, ammunitions, and supplies.

“You are acquainted with the internal arrangement and connexions of the railroads in Pennsylvaiia, over which, for the present, they will have to come; and while I am aware that your private affairs may demand your time, I am sure your patriotism will induce you to aid me, even at some loss to yourself.

“With this view, I will thank you, in consultation with the officers of the army and navy, to assist in getting vessels or arranging with the railroad companies for the accommodation of the troops as fast as they are ready to march to their destination, and also to assist them in making purchases or other arrangements, and to communicate, at the earliest possible moment, any information of service to this department.

“Very respectfully,

“SIMON CAMERON,

“*Secretary of War.*

“ALEXANDER CUMMINGS, Esq.”

Answer. It is.

Question. State to the committee why it should happen, inasmuch as you were known to be in the city of New York, and appointed for that reason, that the Secretary of War should call your special attention to your knowledge of the internal arrangements and connexions of the railroads of Pennsylvania, over which troops and munitions of war were to pass.

Answer. I learned from Washington, after the interruption of communication by the disturbances at Baltimore, that there existed in the minds of the officers of the government and of the community a state of feeling amounting almost to dismay, and that they were alarmed for the safety of the capital and everything connected with it. The object of this letter, and of private letters which I received from Secretary Cameron at the same time and subsequently, was to induce the most energetic measures which could be adopted for the protection and security of the capital and of the government. I had lived in Pennsylvania nearly all my life, and knew every channel of communication between here and Washington. And in connexion with this letter, a private letter about the same time informed me that Mr. Scott, vice-president of the Pennsylvania Central railroad, the present Assistant Secretary of War, had been called to the aid of the government in the crisis, and it was suggested to me to act in concert with him, that there might be no possibility of failure in supplying the wants of the government in its extremity. And I suppose the purport of this letter was, that if the means of safety could not be sent through by one route they should be by another; and that by any and all agencies which could be enlisted the safety of the government

should be secured. I advised and suggested various things; among others, my most earnest advice, I think, was to send vessels directly up the Potomac to Washington. That was objected to by persons of experience here, who suggested that the danger of fortifications upon the banks of the Potomac made that a doubtful plan. I met Mr. Blunt, who had a coast survey chart, and we together rather urged the adoption of the route up the Patuxent, by sea from here and from Philadelphia. The decision during that period of excitement was left very much with General Sandford, who exercised perhaps as much authority as anybody. The vessels which went by sea went mostly to Annapolis. Neither of the routes I urged were then adopted. I gave to the committee all the information I was possessed of in reference to railroad routes. I do not now remember that there was any action during that period of pressure and excitement that led to the sending of any troops through Pennsylvania, except through Philadelphia.

Question. You say you received this extraordinary commission because you were then in New York city?

Answer. Yes, sir; the point from which the men were to come mainly.

Question. Now, why does the Secretary call your special attention to the internal arrangements and connexions of the railroads in Pennsylvania?

Answer. Because it was supposed that my knowledge of those connexions would be useful to the government.

Question. Why was it important, in connexion with your duties, that you should be acquainted with the internal arrangements of those roads?

Answer. Because I suppose that knowledge would be valuable.

Question. What connexion had you with the Secretary of War in any of the railroads in Pennsylvania?

Answer. None whatever. I knew, as the public knew, that Secretary Cameron was connected with one of the railroads leading through Pennsylvania, the Northern Central road, but I had no knowledge of it personally—I knew no more about it than anybody knows. I do not know from him that he has any connexion with it at all, but only from public sources.

Question. In what manner is he connected with it?

Answer. As the owner of stock in it I presume, if at all.

Question. Then he was mistaken in saying that you were acquainted with the internal arrangements and connexions of the roads?

Answer. I do not think he was, as that refers to their public character.

Question. Does that refer to their public and outside transactions?

Answer. I construe it so, most certainly, and I never dreamed for a moment that it could be construed in any other way.

Question. (By Mr. Dawes) Notwithstanding that special reference to the means of conveyance, it does not appear from any of your transactions that you availed yourself of that knowledge at all?

Answer. I do not now remember that I aided in sending any troops in that direction, except through Philadelphia. I advised that. I looked over the whole ground, and suggested to the gentleman with

whom I was first called into conference that communication should be opened with Washington by an agent going from here to Philadelphia; thence by railroad to Gettysburg, and from there by horse direct to Washington, leaving the city of Baltimore on one side. I was myself upon the point of undertaking that mission, with the view of communicating to the government at Washington what was going on here. But it was not done. This letter came to me by a gentleman who, travelling westward through Maryland and Virginia, as far as, I think, Wheeling, went through Pennsylvania by the way of Harrisburg and Easton to this city, as the only route he could adopt to get here with safety.

Question. (By Mr. Washburne.) Do I understand you to say your accounts are settled?

Answer. No, sir.

Question. Do you understand that the government has charged you with this amount of money, and have not yet credited you?

Answer. That is what I have intended to say.

Question. Do you know of any objections which have been preferred against a settlement of your account?

Answer. I do not; I never heard of any.

Question. How long since the account was rendered?

Answer. It has not been rendered. I have the vouchers here.

Question. Have you taken any steps towards a settlement?

Answer. Yes, sir; because I have the vouchers ready to settle at any time.

Question. Will you furnish the committee with a copy of the letters which you have received from the War Department, conferring upon you the power to act on behalf of the government, whether they are confidential or of a public character?

Answer. I will.

A. CUMMINGS.

A copy of the letters referred to in the foregoing testimony will be found in Appendix "C."

I have retained, under authority of the Secretary of the Treasury, by Messrs. Dix, Blatchford, and Opdike, one hundred and forty thousand dollars, besides what I have stated in my testimony, which is accounted for by the vouchers.

A. CUMMINGS.

NEW YORK, *September 2, 1861.*

JOSEPH H. GODWIN, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. Where do you reside, and what is your business?

Answer. I reside at King's Bridge, and am a carriage-maker.

Question. Are you acquainted with Thomas C. Smith, a master mason, of this city?

Answer. Yes, sir.

Question. What do you know in reference to a contract entered into between him and the government for the furnishing of certain army supplies?

Answer. Nothing at all.

Question. Have you heard of such a contract being made?

Answer. I have heard of no such contract being made with the United States government, but I have heard of one made with the State government.

Question. What was the character of that contract?

Answer. It was to furnish knapsacks, haversacks, bayonet-scabbards, cartridge-boxes, belts, and other things.

Question. About what time was the contract made?

Answer. I think it was in May, but I do not remember.

Question. Do you know where it was made?

Answer. I know that the bids were opened at the United States arsenal, on 35th street.

Question. Were you present when the bids were opened?

Answer. I was, during a part of the time.

Question. Do you know who was interested with Smith in making the contract?

Answer. I do not.

Question. Was any person interested with him in the contract?

Answer. Yes, sir; I was.

Question. Any other person?

Answer. No, sir; not with him.

Question. How many bids were opened at the time referred to?

Answer. I do not remember—a good many.

Question. Do you remember whether the contract was awarded to the lowest bidder?

Answer. I do not.

Question. When did you first become aware that this letting was to take place?

Answer. I believe about a week or so before it took place I saw the advertisement in the papers. I was boarding at Smith's house at the time this letting was being advertised, and he asked me if I would go into partnership with him in getting this contract. I told him I would with pleasure. He asked me whether he should put in the bid in his own name or mine. I told him to do as he pleased, but perhaps that he had better put it in in his own name. He did so, and the contract was awarded to him.

Question. Did your bid cover all the articles mentioned in the advertisement?

Answer. Mr. Smith's bid did.

Question. How large a contract was it?

Answer. I believe it was not far from \$255,000.

Question. Do you know how many other bids there were?

Answer. I do not. There were a good many.

Question. Who had the opening of the bids and the determination thereon?

Answer. Mr. Dorsheimer, I believe.

Question. What State office was he filling?

Answer. I believe that of State treasurer.

Question. With whom did you confer, besides Smith, before your bid was made?

Answer. With no one.

Question. With whom did he confer?

Answer. With no one that I am aware of other than myself.

Question. With whom did he tell you he had conversed upon the subject at the time he first conversed with you?

Answer. Nobody.

Question. Or subsequently?

Answer. Nobody.

Question. Did he tell you he had conversed with any State officer upon the subject?

Answer. No, sir.

Question. How many times were you and Smith at Albany before this contract was completed?

Answer. I think I was there last winter. I do not know when Smith was there.

Question. Did Smith tell you he had been there?

Answer. No, sir. I am not sure that I was there in the winter. Certainly I never went there to lobby for anything.

Question. You do not know that Smith has been there since the last of April?

Answer. Yes, sir. He went there for the pay, but that was not until after the contract was made.

Question. Did any one share in the profits besides Smith and yourself?

Answer. Yes, sir—Mr. George H. Peck.

Question. In what business is he engaged?

Answer. In no business. He did not share with Smith, but with me.

Question. Is he a politician?

Answer. No, sir; not that I am aware of. He is a gentleman of capital, and that was why he was interested with me.

Question. Any other gentleman besides you three?

Answer. No, sir.

Question. Did any person share with Smith in the profits?

Answer. Not that I am aware of.

Question. Did you ever hear Mr. Smith say that any one did?

Answer. No, sir.

Question. Who were parties to the bond for the fulfilment of the contract?

Answer. I was one, and I think Peck was the other.

Question. You two gentlemen became sureties for Smith?

Answer. I think we both did. The contract was awarded to Smith, and afterwards I became interested in it, and invited Peck to participate with me in carrying it through.

Question. Had you or Peck had anything to do with the furnishing army supplies previous to that time?

Answer. I had not, and I am not aware that Peck or Smith had.

Question. Who did Smith say suggested to him the policy of bidding for the contract?

Answer. I did not hear him say.

Question. Did he tell you that he had had any conversation or correspondence, directly or indirectly, with any officer of the State government having control of or influence over this matter?

Answer. He did not, and I am confident he had no such communication.

Question. And you never heard him intimate that any other person was to share in the profits.

Answer. Never.

Question. If any other person did participate with him in the profits you most likely would have known it.

Answer. I do not know that I would.

Question. Did you see any State officer, or any agent acting in behalf of a State officer, in the office of Smith, or in any other office, in this city, during the time of the progress of this contract?

Answer. I did not.

Question. Was the contract awarded to the lowest bidder?

Answer. I do not know, but I presume it was.

Question. Was there any other bid covering all the articles required by the advertisement?

Answer. I do not know. After Smith got the contract I became connected with it for the purpose of raising the money, and for my own part I had to take another man to help me raise it. That was the only reason that I was connected with anybody.

Question. Had you any assurance before the bids were submitted that the contract would be awarded to you?

Answer. No, sir.

Question. Did you have any information from anybody tending to assure you that such would be the result?

Answer. No, sir.

Question. Your bid was high enough to prevent loss.

Answer. I would not like to say that.

Question. So you are not certain that there was any profit in the transaction.

Answer. I would not say that. That is a question I would not like to answer just now. I only mean to say that I cannot say that there was not loss in it. I would like to have a man assure me that there is no loss in the matter.

Question. The contract has been fulfilled.

Answer. So far as the State is concerned, it has been.

Question. In what respect has it not been fulfilled?

Answer. I say so far as the State is concerned, it has been fulfilled. If there is anything else between me and anybody else, I suppose that has no relation to this inquiry.

Question. (By Mr. Steele.) What we want to know is, whether the

amount of money paid, according to the terms of the contract, was sufficient to insure you from loss when the contract was completed.

Answer. I suppose it was. I believe it was. I do not certainly know whether it was or not, but I have no doubt of it.

Question. How much profit did it yield?

Answer. I should not like to say whether there was profit or loss.

Question. If the amount of money received exceeded the amount of money expended in the purchase of the making up the materials, how could there be loss?

Answer. I presume there was no loss. The contract itself undoubtedly made money.

Question. How much? \$50,000?

Answer. I would not like to say.

Question. You do not know how much?

Answer. I do not.

Question. What have you understood from Smith upon that subject?

Answer. I would not like to say.

Question. You have had conversations with Smith upon the subject, have you not?

Answer. No, sir; I believe Smith's contract made money. I have no doubt of it, but how much I do not know. The government, I imagine, is now doing business very differently from what it did then. For instance, Mr. Smith paid \$3 25 for knapsacks which can now be made for \$2 12. That was owing to the fact that people then did not know anything about making these articles. It was a new thing, and you could not get anybody to touch them. Smith had to get the work done in a certain time, and people charged what they had a mind to. Now there is competition, and such articles can be made at a comparatively low price.

Question. Who was Smith's partner, as master mason?

Answer. I do not know his name.

Question. Do you know the man?

Answer. I do when I see him.

Question. Have you seen him at Smith's office?

Answer. I have, occasionally, though I have not been there frequently.

Question. Do you know whether he had any connexion with this contract?

Answer. I do not.

Question. Who did Smith say suggested to him the offering of this bid?

Answer. I never heard him say.

Question. Does your controversy with Smith result from his having had other parties involved in the contract?

Answer. No, sir.

Question. Has Smith intimated that any outside matters were to be adjusted before the settlement of the account with you?

Answer. No, sir.

Question. Or that any other rights were to be considered?

Answer. No, sir.

Examination by Mr. Dawes.

Question. Tell the committee in what manner you fulfilled this contract?

Answer. After Smith got the contract and I became connected with him, I went to work as hard as I could to buy leather and hire men. I did the best I knew how to get the work done in time. We worked night and day, and I must say Sundays too.

Question. Was all the work manufactured by you?

Answer. Not all of it, but a very large proportion of it.

Question. How was the remainder of it done?

Answer. It was let out to people for the best price, and a very large price it was at that.

Question. What portion of it did you let out?

Answer. We let out the knapsacks at \$3 25 each—knapsacks which you can now get made for \$2 10 each. I let out all the knapsacks and all the haversacks.

Question. Under your contract what were you to receive for knapsacks?

Answer. I believe it was \$3 each.

Question. And you let them out at \$3 25?

Answer. Some of them.

Question. Upon what articles, then, were the profits made?

Answer. Upon the leather work, such as belts, &c.

Question. What other article did you let out?

Answer. Some cartridge-boxes.

Question. (By Mr. Steele.) For what proportion of the knapsacks did you pay \$3 25?

Answer. I do not know. Smith let them out.

Question. What were you to have for making cartridge-boxes?

Answer. I believe it was \$1 38 each.

Question. The contract upon your part has been concluded; you have furnished all the articles you agreed to, and the whole of the money has been paid?

Answer. Yes, sir.

Question. And you do not know whether you have made any money or not?

Answer. I did not say so. I mean to say that I do not wish to say whether I am going to make or lose money by the contract.

NEW YORK, *September 3, 1861.*

THOMAS C. SMITH, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State your residence and business.

Answer. My residence is in this city, and my general business is that of a builder.

Question. State whether, since the commencement of our present national difficulties, you have entered into any contract with the government of the State of New York to furnish army supplies, and the character of the supplies you were to furnish.

Answer. I had a contract with the State of New York for supplying 28,000 knapsacks, 28,000 haversacks, 28,000 cartridge-boxes, 28,000 bayonet scabbards, 2,500 non-commissioned officers' belts, and some other articles which I cannot enumerate from memory.

Question. What did the entire contract amount to?

Answer. Not far from \$255,000.

Question. About what time was the contract entered into?

Answer. It was on the 26th of May last, I believe.

Question. Had you, prior to the time when the contract was entered into, been engaged in any department of business which had connexion with any of the materials used in this contract?

Answer. No, sir.

Question. With what officer of the State of New York did you confer previous to your putting in your bid for this contract?

Answer. With no one.

Question. With what person, if any, having any connexion, or professing to have any connexion, either socially, politically, or otherwise, with any officer of the State government, did you confer?

Answer. I am not aware that I conferred with, or associated with any one in that capacity.

Question. If any person suggested to you the submission of your bid for this contract, state who it was.

Answer. Well, that is a matter of private history, and I do not consider that I am under any obligation to answer the question; still, as a refusal might leave upon your minds an impression I would not like to have remain there, I will answer. The individual was Joseph H. Godwin. He was an occupant, with me, of my house. We had been intimate, and we discussed various subjects, politics, war, &c. Among other topics, which came up frequently, were those resulting from the war; the large contracts of a military character which would have to be entered into; and Godwin, a far-seeing man, always looking around, asked me why I did not go into this matter. He was the only person who ever talked to me about it. We talked over all these matters in our nightly sittings in my parlor before the advertisement came out; and when it did come out, the matter was talked about more seriously. But I rather threw cold water upon the matter for some time, and I thought that he himself, for some time, made it more a matter of talk than of serious intention. Finally I determined to look into it.

Question. Was the advertisement for proposals published in all the city papers?

Answer. In the most prominent ones.

Question. How long was that before the contracts were awarded?

Answer. My impression is it was not more than four or five days.

Question. According to the proposals, how soon were the articles to be furnished?

Answer. In forty-five days.

Question. Did you bid for all the articles mentioned in the advertisement?

Answer. I did.

Question. Was that the only bid that covered them all?

Answer. It was.

Question. Were there other competitors?

Answer. Yes, sir; but their bids were scattering.

Question. Where was the contract finally awarded?

Answer. It was advertised to be awarded at the State arsenal in this city, and it was awarded there.

Question. What officers of the State government were present at this time?

Answer. I do not know as I can tell, I am so little acquainted with the officers of the State government. Commissary Welsh, whom I knew by sight, and had a nodding acquaintance with, was there; also Mr. Dorsheimer, the State treasurer.

Question. Had you, previous to the bidding, or immediately subsequent thereto, any personal interview with the treasurer of the State, or with any person authorized to speak for him?

Answer. None whatever.

Question. Or with any person professing to be in the confidence of any State or government officer?

Answer. None whatever. So far as my contract is concerned, there is not the least taint of corruption upon it, or upon any party ever connected with it.

Question. Who were the parties to the bid?

Answer. I put in the bid in my own name.

Question. Who were interested in the profits of the contract, or in any of the issues or results of the contract?

Answer. That is a question I cannot answer for want of knowledge. I only know of my own interest and of Godwin's interest. I know of no other.

Question. If any other persons were interested in the contract, or in the proceeds of the contract, of course you were informed of it?

Answer. I do not know that; but I know of none. I had one part of that contract and Godwin another. Who he had associated with him I do not know. So far as I am concerned, there are no persons but myself and Godwin.

Question. Was any part of the proceeds of the contract, any of the moneys growing out of the contract, or any of the profits upon any one article furnished by you under the contract, divided, so far as you know, or so far as you are informed, between any other persons than yourself and Godwin?

Answer. No, sir. So far as my knowledge is concerned, and so far as we can have a belief in matters of which we know nothing, no person had any such interest. I made the most of the bargain. I see you think it strange that I should have gone into this contract, so foreign to my business, but the reason is to be found in the fact of my reliance upon Godwin, who had some acquaintance with the leather business, and who was to give his personal services to the work.

Question. Was there any understanding before you made this bid

or afterwards, with any person connected with the government, directly or indirectly, that you should procure a portion of these articles of any particular person, or that any particular person should have the benefits of the ordinary profits resulting from the furnishing of any of these articles?

Answer. No, sir.

Question. Has any person connected with, or professing to be connected with, the State government, or professing to speak for, or of being in close political or personal relations with, any officer of the State government, applied to you since that bid was made, either by parol or by letter, for any portion of the proceeds of that contract, or of any single article of the contract?

Answer. No, sir.

Examination by Mr. Dawes.

Question. Where did you purchase the leather?

Answer. That question I consider you have no right to ask. Still I will answer. I purchased the greater part of it of Hoyt Brothers.

Question. Did you purchase any of the articles already manufactured?

Answer. I think I may answer by saying not one, for there was serious difficulty in the way, this being the first contract of the kind, and it being a sort of creation; it is difficult to imagine how green we all were in the city of New York on military matters of this kind; before I could find a knapsack of the government pattern I had to go to Governor's island; it is a positive fact that so ignorant were the people of what was required under the advertisement in the shape of a knapsack that the bids ran all the way from \$1 60 to \$4 90 each.

Question. Was your bid \$1 60?

Answer. No, sir; the article proposed to be furnished at \$1 60 would not hold together long enough to get them on to the soldiers' backs; some brought one sample and some another.

Question. Was the bidding by sample?

Answer. Some was by sample and some not; it was a very confused matter, nobody seeming to know anything about it.

Question. What was your bid for knapsacks?

Answer. It was \$3 50.

Question. Was your bid founded upon specimens exhibited or not?

Answer. It was as per advertisement.

Question. Did you underlet any portion of your contract to manufacturers?

Answer. Of course.

Question. What portion of it?

Answer. I cannot now say.

Question. What articles?

Answer. I can state as a general thing; I underlet knapsacks, haversacks, cartridge boxes, and belts.

Question. To such manufacturers as you could find to take them.

Answer. Yes, sir; the short time I had in which to produce these articles compelled me to avail myself of every manufacturer I could

find that would take a portion of the contract ; that was the only way I could fulfil it.

Question. Have you any objection to stating what you gave to mechanics for making these articles ?

Answer. I have ; that is an inquiry into private business, which, I presume, you do not consider essential to your investigation ; I can only tell you that I educated all the workmen, so that when the next contracts were given out they took them from the State at less prices than I paid them.

Question. Can you give us the names of the bidders besides yourself ?

Answer. I cannot.

Question. Who was appointed by the State to inspect and accept your work ?

Answer. John W. Rich.

Question. Where does he reside ?

Answer. He resides in this city, but where I cannot tell.

Question. What is his business ?

Answer. He was formerly an architect, and perhaps he considers himself so yet.

Examination by Mr. Holman.

Question. Was there any modification of this contract after it was first made ?

Answer. I do not know as there was.

Question. Any change in its terms ?

Answer. I will qualify my first answer to that question. There was an alteration in one portion of it. The specifications called for India-rubber knapsacks, but it was soon ascertained that India-rubber knapsacks were not the ones they needed. The general government, as you are aware, found it so. We were exceedingly unfortunate in our India-rubber goods, and in consequence of that I furnished some 639 or 739—I cannot recollect which—more knapsacks than my contract called for. Those knapsacks were brought here at night, and there was no time for examination. It turned out that the gum they were put together with was badly mixed, and the result was that when they were mounted on the soldiers' backs the next morning they drew apart. When we heard of it we sent to one of the regiments here, took the knapsacks off their backs, and took them away. The other regiment that had been furnished with the same had got on shipboard, and we could not get those back. We were in a dilemma about it, and the commissary general was in an awkward place. He did not want to certify that my contract had been completed, although the State had got the things. So far as I was concerned, the State had got my goods, and I did not see but the State was under obligation to pay the cost of them. The inspector also said he could not sign a bill of inspection, and it was awkward business all round. So, seeing that the Brooks matter was being ventilated, and seeing the difficulty I might get into, and the handle which might be made of the matter, I determined to get both myself and the commissary out of difficulty by contributing the number of knapsacks I have mentioned over and above my contract.

Question. Where did you obtain those defective knapsacks?

Answer. I do not desire to tell. The gentlemen behaved very handsomely in the matter, and did everything they could do to make it all right. I do not want to injure the reputation of the company who made them by having it go abroad that they were making a poor article of rubber goods, because I know this was unintentional upon their part.

Question. As you did not manufacture your knapsacks, will you tell us what you gave for them?

Answer. I would rather not answer that question.

Question. We do not ask you the question for the purpose of prying into your own private affairs, but we want the facts which bear upon the system of giving out contracts, so that we may inform ourselves of the best mode of conducting this kind of business.

Answer. I think your object could be accomplished fully in that view by taking the prices paid by the State under my contract and the prices paid by the State on the second and subsequent contracts given out by it. The price paid for knapsacks under the first contract was \$3 50, under the second, \$2 50, and under the third, \$2 25, all being the same article.

Question. What portion of the knapsacks which you ultimately furnished was of this rubber material?

Answer. There were but few. I think there were in the neighborhood of 2,000 or 2,500.

Question. By the terms of your contract you were to furnish them all of this material?

Answer. Yes, sir.

Question. And after you entered upon your contract, and it was found that the material was poor, the contract was changed?

Answer. Not exactly that; they adopted another article in the first place, which was highly thought of. They were of gutta-percha, and were liked pretty well, but they could not be supplied fast enough, and besides they did not compare at all with the army pattern, but no one knew that fact. I did not know it until after some of them were made. I got educated in the matter by degrees, faster even than the State officer did, and it struck me that they were not the thing. I then got one made of enamelled leather cloth. The commissary sent a gentleman to Albany with the India-rubber one, the gutta-percha one, and the one I made of enamelled leather, and presented them to the military board, and they sent down an order to have the knapsacks made of enamelled cloth, as being the best, and it has proved to be so.

Question. What is the difference in expense between the India-rubber and the enamelled cloth knapsacks?

Answer. At that time there was scarcely any difference, but now, since they have got in the way of making knapsacks largely by machinery, and know better how to do the work, I think the enamelled cloth can underbid the rubber knapsacks perhaps half a dollar. But that difference arises mostly from the increased facilities in the manufacture.

Question. What is the comparative cost of the material?

Answer. I can hardly answer that question, but I guess they are about the same.

Question. Were the India-rubber haversacks changed?

Answer. They were not to be made of India-rubber.

Question. Did you obtain the India-rubber knapsacks in this city?

Answer. No, sir; I got them in Massachusetts.

Question. What was the price you paid for the India-rubber knapsacks which you furnished according to the original contract?

Answer. I will answer that question with this proviso: that I will not answer it in relation to any other article.

Question. We will not take the answer upon that condition.

Answer. I shall decline to answer the question as to any other article. I gave \$3 each.

Question. Did you manufacture any of the enamelled cloth ones?

Answer. No, sir; I could not.

Question. Of what material were the haversacks?

Answer. Of enamelled cloth of a lighter material, with a duck inner bag, which could be taken out and washed.

Question. Did you manufacture those yourself?

Answer. No, sir; I contracted with parties to manufacture them for me.

Question. Parties in this city?

Answer. Yes, sir.

Question. Who were they?

Answer. I think, gentlemen, you are rather getting into my private affairs.

Question. What was your contract price for them?

Answer. There I fall back upon my proviso; I decline to answer any further questions upon that head.

Question. You furnished 28,000 bayonet scabbards. What price were you to receive for them?

Answer. I do not recollect.

Question. Did you manufacture them yourself?

Answer. No, sir; I contracted with other parties to manufacture them.

Question. Who manufactured them?

Answer. I must decline to answer that question; in fact, I cannot answer it, as I obtained them from many different parties.

Question. Did you contract with various manufacturers to manufacture them at a given price?

Answer. Yes, sir.

Question. In other words, you underlet your contract around the city, and other places, to various parties.

Answer. Yes, sir.

Question. And that applies as well to the other articles as to the ones I have examined you about?

Answer. Yes, sir.

Question. What was your contract price for cartridge boxes?

Answer. I do not recollect, but I think it was \$1 50 each.

Question. Did you underlet the manufacture of all of those?

Answer. All of them.

Question. To more than one contractor?

Answer. Yes, sir.

Question. Did those you contracted with furnish the material?

Answer. Yes, sir.

Question. And they furnished you a given number of cartridge boxes, made according to the pattern?

Answer. Yes, sir.

Question. To how many parties did you underlet that portion of the contract?

Answer. That is more than I can tell.

Question. Were the parties you contracted with manufacturers, who made them themselves?

Answer. Yes, sir; houses which manufactured such articles.

Question. Will you state to the committee the difference between the price you were to receive from the State and the price you paid to the men who furnished the articles to you?

Answer. No, sir; I must decline.

Question. Of what material were they made?

Answer. Of leather.

Question. Oak-tanned leather?

Answer. Yes, sir.

Question. You contracted to furnish some officers' belts, did you not?

Answer. Yes, sir.

Question. Of what material were they made?

Answer. Patent leather.

Question. Did you purchase the leather with which to manufacture them?

Answer. Yes, sir.

Question. Of whom did you purchase that leather?

Answer. It was bought of various parties; some in this city, and some in Newark. We had to pick up our materials where we could get them.

Question. What was the amount of that part of your contract.

Answer. It was the smallest item in the contract. There were only 2,500 belts, while of each of the other articles there were 28,000.

Question. What were the profits of the entire contract?

Answer. I must decline to answer that question. I cannot introduce my private affairs here.

Question. And you decline to answer that question?

Answer. Decidedly.

Question. (By Mr. Steele.) You state that other persons bid for parts of this contract. Give us their names.

Answer. It is a difficult matter to give names, for the bids were made by parties whom I was not acquainted with. I recollect that one bid was put in by Henry A. Heizer. He bid for knapsacks. The names of the other parties I do not recollect.

NEW YORK, *September 3, 1861.*

JAMES OWENS, being duly sworn, was examined as follows :

Examination by Mr. Holman.

Question. Where is your residence ?

Answer. In this city, at No. 102 East 34th street.

Question. What do you know, if anything, of a contract entered into between Thomas C. Smith and the government of the State of New York to furnish the State with certain army supplies ?

Answer. Nothing whatever.

Question. Were you aware of the existence of that contract about the time it was entered into ?

Answer. No further than by general rumor. I heard repeatedly that Smith and other parties had such a contract.

Question. Had you any conversation with Smith himself upon the subject ?

Answer. Yes, sir.

Question. Before or after the contract was made ?

Answer. After.

Question. What was his statement in reference to the contract ?

Answer. I have forgotten pretty much the conversation, and I cannot repeat it.

Question. State what it was to the best of your recollection.

Answer. I had some conversation with him one day in relation to what public rumor said in reference to his contract, and the manner in which he obtained it.

Question. Will you state what you stated to him was the public rumor ?

Answer. My recollection is so indistinct that I cannot.

Question. As you stated to him what the public rumor was, state it here.

Answer. It was that he had got the contract in consequence of some partiality or favoritism of the contracting board of the State ; and that there was some considerable dissatisfaction on the part of others who bid for the contract. That led to some explanation upon the part of Smith.

Question. Did that public rumor, as you stated to him, indicate any particular individual of the board as being partial to him ?

Answer. Not that I am aware of.

Question. Was the name of any particular member of the board mentioned in connexion with any of those rumors ?

Answer. I believe there was ; the State treasurer was implicated in some way as being partial in giving Smith the contract.

Question. Did that rumor mention in what that partiality consisted or the cause of it ?

Answer. I hardly recollect ; I think there was something of that kind ; I have heard conversations repeatedly in reference to this con-

tract, but my recollection is so indistinct that I can hardly answer the question.

Question. What influence was said to have operated upon the State treasurer to produce that partiality?

Answer. I do not know as any was mentioned.

Question. Political influences or material influences?

Answer. I do not know that I have heard.

Question. Did those rumors implicate the treasurer of the State in the profits of the contract, or in the contract itself?

Answer. No, sir; nothing of that kind.

Question. Then you did not understand from the public rumor the cause of this partiality, or the influences which had produced it?

Answer. No, sir.

Question. From whom, if you remember the name of any person or persons, did you understand that such partiality had been shown by the treasurer of the State?

Answer. I think I heard one Abram Ackerson state that partiality had been shown.

Question. Did he merely state that the treasurer of the State had acted partially?

Answer. He stated that the contracting board acted partially, and intimated that underhanded means had been used to obtain the contract for Mr. Smith.

Question. Was Ackerson himself a bidder?

Answer. I am not aware that he was.

Question. Where does he reside?

Answer. He resided at the time in this city, but now, I believe, at Peekskill; he merely spoke in general terms in regard to it; the conversation was in the street and I did not pay much attention to it.

Question. Did he state any particular facts upon which he based the opinion that such partiality had been shown?

Answer. No, sir.

Question. What did Mr. Smith say about it at the time you stated to him what this public rumor was?

Answer. Mr. Smith said those rumors were not well founded, and went into an explanation to show how he obtained the contract; it was rather a complicated account, and I can hardly tell you the head or tail of it; some parties bid whose bids were not formal, and some parties bid for only a portion of the articles required; the bids were so complicated that the treasurer could not understand them, and after talking with Smith in regard to the matter, he came to the conclusion that as other parties had bid for only a portion of the work, while Smith's bid covered the whole, he would enter into a contract with Smith; he also came to the conclusion that though Smith's bid was in gross, yet, on the whole, that it was as reasonable as if not more reasonable than the bids of the other parties. Some parties bid only for knapsacks, and others only for haversacks; I think Smith was the only person who bid for the whole, in gross Smith conveyed the idea that in consequence of his bidding in gross; he got the contract, or, in other words, taking all things into consideration, he was entitled to it.

Question. Did he say that this conversation between himself and the treasurer occurred before the contract was made?

Answer. It was about the making of the contract itself.

Question. Did you understand from him or from any other source that the other bidders were or were not mechanics—persons connected in trade with the articles which they proposed to furnish?

Answer. No, sir; not from Smith.

Question. From other sources, what was your information as to whether those other bidders were all, or a part of them, connected in trade with the articles they proposed to furnish to the government?

Answer. I do not know that I had any conversation with parties who were in the way of furnishing such articles. I had some conversation with Mr. Megins, Mr. Smith's partner in their general business. I inquired one day of Megins about Smith. He stated that Smith was not in his office much, being very much engaged upon this contract; that he had just got a contract which would occupy all his time. He went on to state that he had not conversed with Smith about it, but that he had learned from other parties that Smith had got a contract of a very large amount, and of some considerable importance, and one which would yield a handsome profit. He learned the fact from persons who were engaged in the business of furnishing these articles, and who had come to the office during Smith's absence to get portions of the work. They informed him that Smith had got the contract, and seemed much surprised at it, because Smith was not engaged in the business; but inasmuch as he had got it they were anxious to sub-contract for it, and had come to the office for that purpose.

Question. Did you learn from any other source whether the persons who put in bids in competition with Smith were persons engaged in the departments of business which would ordinarily furnish the articles which were to be furnished?

Answer. No, sir.

Question. Had these persons of whom you have spoken been competing for the contract?

Answer. Yes, sir, and had left Smith at the arsenal, or at least saw him there during the day; but as soon as they ascertained that Smith had the contract they left the arsenal and called upon Smith at his office for the purpose of obtaining sub-contracts.

Question. State the names of some of those persons mentioned by Megins?

Answer. I cannot, as I do not recollect them.

Question. Can you mention the names of any of the sub-contractors for furnishing any portion of these articles?

Answer. I cannot. I heard the names of some of them, and also the difference between the prices which Smith got, and what they got, but I cannot recollect the names or the prices. I remember that I heard that the sub-contractors would make a fine profit, although they got much less than Smith did.

Question. How much less?

Answer. I do not remember, though it was stated in the conversation.

Question. With whom did you have this conversation?

Answer. Spencer K. Smith.

Question. Who is he?

Answer. President of the Savings Bank in this city.

Question. Are you able to state what amount of profits Smith, the president of the bank, understood there was in the contract?

Answer. I am not. The conversation had reference principally to one article which a friend of his furnished. I think the article was knapsacks. He was speaking of the price which his friend received, and the price Smith received.

Question. Would five days' notice for proposals, published in the newspapers of this city, generally elicit a fair competition for such a body of articles as was embraced in that contract?

Answer. I should think it would. It would at this time, but I do not know whether it would at that time, when the community were not looking out for such advertisements. Under present circumstances the public attention is directed to matters of that kind. Perhaps such notice would have been sufficient at that time, as the people of New York are pretty shrewd, and are wide awake.

Question. (By Mr. Dawes.) How long were proposals advertised for in this case?

Answer. Five days.

Question. State whether, in a city like New York, a fair competition for each one of these articles could have been had between bidders who were actually engaged in their manufacture, or in business necessarily connected with their manufacture?

Answer. I think there could.

Examination by Mr. Steele.

Question. Did you understand, at any time, what influences were brought to bear upon the State board to induce or influence them to give this contract to Smith?

Answer. No, sir.

Question. Did you never hear anything about that?

Answer. I have heard that Mr. Godwin had some acquaintance with Mr. Dorsheimer and with the State board. He built the State arsenal in this city, and had become intimate with the State board.

Question. I do not speak of acquaintance merely. I want to know what influence procured this contract for Smith?

Answer. I cannot say. I heard of something, but I do not exactly recollect what it was.

Question. If you heard of some particular influence which brought about this contract, can you have forgotten what it was?

Answer. I have; I heard rumors, but I do not recollect what they were.

Question. You certainly can state what the rumor was?

Answer. I cannot; all I heard was rumor, and it would be something like this: a number of gentlemen would be together, talking about the contract, and one would say the contract was so and so, and that Mr. so and so got the contract. Such conversation I would not be likely to recollect.

Question. Will you say now that you do not recollect what that rumor was?

Answer. I do say so, any further than that I heard that Godwin worked up the contract?

Question. What means did you understand Godwin made use of?

Answer. None except his acquaintance with and knowledge of those men.

Question. Do you say you heard of no other influence?

Answer. I do; he had the inside of the ring.

Question. What reason was assigned for that?

Answer. Nothing more than I have stated.

Question. Was it the rumor that he was a sharp politician?

Answer. Yes, sir; something of that kind.

Question. Do you state that you cannot recollect and do not know what the rumor was at the time as to the influence which was brought to bear upon Dorsheimer to procure Smith this contract?

Answer. Yes, sir; I do not know further than that an intimation was thrown out that Godwin worked up the contract.

Question. Is Godwin an active local politician?

Answer. He is a pretty active man, but I think he is not a very active politician; but Godwin built the arsenal, and Ackerson did the mason work for him on that building.

Question. Is Mr. Smith a politician?

Answer. No, sir; but he is a very active man.

Question. Did you ever hear from any one what amount of profits would accrue to Smith from this contract?

Answer. I have heard that it was very large; that they would make \$80,000 out of the contract. But this was desultory conversation.

Question. Did you ever hear Smith or Godwin say what the profits would be?

Answer. No, sir.

Question. Or Mr. Mickens?

Answer. No, sir.

NEW YORK, *September 3*, 1861.

CHARLES D. DESHLER, being duly sworn, was examined as follows:

Examination by Mr. Steele.

Question. Where do you reside?

Answer. In Jersey City.

Question. Have you had any contracts with the government?

Answer. No, sir.

Question. Do you know from conversations with contractors with the government, or with anybody else, of any transactions in the making of contracts with the government, which are not exactly right?

Answer. I cannot say that I do. I know nothing positively from contractors directly, or from those whom I supposed to be contractors.

Question. State to the committee what you do know.

Answer. I never had any conversation with a government contractor, but I called upon a gentleman by the name of John B. Arthur, of Jersey City, and in the course of our conversation he spoke of the corruption which probably prevailed. He was a merchant, doing business in New York, a man of great integrity, and I gave great weight to what he said, though his remarks were general in their character. I understood him to say that he had been an applicant for a contract in reference to an article of which he had the control of the market to a considerable extent, but that he failed to obtain it, and was much surprised at his failure. That he had a conversation with a gentleman who had more experience in the matter than himself, in which the reason of his failure was pointed out, and that was that he had not properly feed the officials. Certain officers were named by their titles, but I have forgotten who they were. The only man to whom I mentioned this conversation asked me if the contract was finally consummated by Arthur. I told him I did not suppose it had been, as Arthur talked indignantly about the matter, and scouted the idea that fees were required to carry through any contract. What the kind of goods were which Arthur tried to get the contract for I do not know. The conversation was a casual one, in a social way. This matter was spoken of as one of the difficulties or peculiarities of the times.

Question. Do you know whether or not Arthur, as a sub-contractor, furnished that article?

Answer. I do not think he did. I have an impression that something was said of his having sold to parties, but whether for the government or not I do not know. It was an article which he had the control of in the market. He was satisfied afterwards that it had gone to the government.

Question. Is there any other matter of importance to this committee of which you have any knowledge?

Answer. No, sir.

NEW YORK, *September 6, 1861.*

GEORGE T. LADUE, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. What is your residence and place of business?

Answer. I reside in this city, and am engaged in the business of contracting.

Question. What kind of contracts?

Answer. Railroad and canal contracts, and contracts for opening streets, &c.

Question. Have you had any connexion with contracts with the government?

Answer. I have bid for two or three contracts, but I have received none.

Question. What did you bid for?

Answer. Day before yesterday I bid for 450 paulins for the government. They are strips of duck, joined together, 19 feet wide and 30 feet long.

Question. State the nature of your bid.

Answer. I examined the advertisement and put in a bid for \$47 each. Before I made the bid I made inquiries in reference to the sureties required, and I was informed that they could be furnished afterwards—the day following; I was told this by a man in the office of the assistant quartermaster, No. 7 Bowling Green. The bids were to be received up to, and to be opened at, 10 o'clock a. m., but as I could not go there that day, I sent a man by the name of Gandal to act for me. He was there by 10 o'clock, and put in the bid; he is engaged in the same business, but did not want to bid for this contract; he was going to put in a bid for oats and hay. They told him to call there at 3 o'clock in the afternoon, and then they would decide who had the contract. They did not open the bids at ten o'clock, as it was supposed they would; the advertisement stated that they would receive bids until 10 o'clock. They did not open them at all publicly, but opened them at half-past eleven o'clock. They told Gandal that if he would be back at three o'clock, it would answer. He went across the river and returned at half-past one o'clock, and then found that they had awarded the contract to a bidder whose bid was a little higher than mine—a Mr. Hall.

Question. What reason was assigned for that?

Answer. The reason they assigned to Gandal was, that I did not come there with my sureties; Gandal went there and offered them \$2,000 in cash as security for the fulfilment of the contract. It is usual when you put in a bid to state the place of business. I gave my place of business as No. 14 Ann street; the custom is then for them to send a notice to that business place.

Question. Did you offer sureties in your bid?

Answer. No, sir.

Question. Was not that necessary?

Answer. No, sir; I went to ask particularly about that; it is usually necessary. I made particular inquiry about that matter, and I was told that the bonds could be produced the day following the opening of the bids.

Question. And the reason given to your agent for not receiving the bid was that you were not there with your sureties at the time?

Answer. Yes, sir; and they had given him until three o'clock to be there.

Question. What knowledge have you that your bid was the lowest?

Answer. I have no positive knowledge as to that; one of the bidders informed me that he saw the contract, and it was for a larger amount than my bid.

Question. Do you know whether this Hall's bid contained any different terms from yours?

Answer. It did not; the bidders being all required to bid according to the published advertisement.

Question. Were there any bids lower than yours?

Answer. Not that I know of; I believe that after a while some of the bidders demanded to know what the bids were. This was at first refused, but afterwards they told what all the bids were; I have this upon information.

Question. Who is this Mr. Hall, the successful bidder?

Answer. A gentleman from Newark; the bids ranged from forty-seven to fifty dollars.

Question. Do you know of any other reason than that urged by the party in charge why your bid was not accepted?

Answer. I do not; I was and am ready to provide the sureties, and they are beyond question.

Question. Can you furnish the committee with the name of this man who seemed to be acting for Captain Saxton?

Answer. I cannot; I supposed up to yesterday morning that he was Captain Saxton himself, the assistant quartermaster; but Mr. Crolies, who made one of the bids, informed me that this man was not the quartermaster.

Question. Cannot you ascertain the name?

Answer. I suppose so; this whole matter is not of much importance, but I want to ascertain whether there is any use in bidding for this kind of work.

Question. Can you inform the committee of the name of any one of the officers who acted in connexion with the opening of the bids and awarding the contract?

Answer. I cannot now.

NEW YORK, *September 6, 1861.*

JAMES R. GANDALL, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and place of business.

Answer. My residence is Fort Edward, Washington county; I am a farmer.

Question. State what you know in relation to a bid being put in by Mr. Ladue under an advertisement by Mr. Saxton, assistant quartermaster of the United States, for the furnishing of paulins.

Answer. I took in the bid for him myself, day before yesterday morning about 9½ o'clock, before the time expired limited in the advertisement. The bid was received. I then told the clerk I was going over to Brooklyn, and inquired what time I should call in to ascertain the result. I asked if three o'clock would answer. He

replied that it would. I left, and returned again about half past one o'clock. Mr. Saxton and the gentleman who had the bid awarded to him sat at the table. I did not want to interfere with them at that time, but when they got through I walked up and inquired who received the contract. He replied, "This gentleman." I inquired, "Can you tell me what his bid is?" He replied, "I do not know that I should tell you." I said, "I put in a bid here for \$47, and I want to know whether his is lower." Said he, "I have sent all over town for you, but I could not find you." Said I, "It is not very late yet." He said that the contract had been given out to this gentleman, but that he was sorry for it; that he had sent all over town for me, and had sent to Ladue's office.

Question. Why did you take the bid to the office?

Answer. I was the agent of Ladue, and took it for him.

Question. And the reason given by the man you supposed to be Saxton was that Ladue was not there to enter into a contract; that he had sent to his office to find him, but did not succeed?

Answer. Yes, sir; and I said to Mr. Saxton that I was ready to enter into bonds at once; that I even had the money with me if that the bondsmen were not there. He said he was sorry, but that it was too late now, as the contract was completed.

Question. What other reason did he assign?

Answer. That was all. I did not make any more words with him.

Question. Why did you not speak to him when you first came into the office, and before they had completed the writing?

Answer. Because I did not want to interrupt them.

Question. Why did he not revoke the contract then?

Answer. The man was there when I went in, but he had gone out before I finished the conversation. He went out when we commenced the conversation.

Question. What is the rule in relation to the time allowed parties to file their securities on contracts?

Answer. I do not know, and that is the reason why I asked the question. I asked the clerk if three o'clock would answer. He said yes. I returned before three o'clock.

Question. Did you see the clerk when you returned?

Answer. No, sir; he was not there.

Question. Did you report to Captain Saxton what the clerk had told you?

Answer. No, sir.

Question. Did you make any demand upon him for the contract?

Answer. No, sir.

Question. Do you know who Hall is?

Answer. No, sir.

Question. Do you know the name of the clerk?

Answer. I do not.

Question. What connexion had you with Ladue in this matter?

Answer. I put in the bid for him, and in his name, expecting to have an interest in the contract. I expected to furnish the bail and the capital.

Question. What could you have made upon the contract at \$47 each paulin?

Answer. We figured it up, and thought we could make a little over \$3,000.

Question. What can Mr. Hall make upon it?

Answer. Well, his bid was two dollars higher than ours, and there are 450 paulins to be made, which makes \$900 difference in his favor.

NEW YORK, *September 6, 1861.*

JOHN MOAKLY, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and place of business.

Answer. I reside in this city, and I am a sailmaker by trade.

Question. What do you know of the bids which were to be opened on the 4th of September, under the advertisement of Captain Saxton, for the making of 450 paulins?

Answer. I called at the assistant quartermaster's office, where the bids were to be received, about a quarter before 10 o'clock on the morning of the 4th, and put in my bid. I supposed I handed it to Captain Saxton. After that I came out upon the stoop and commenced a conversation with a Mr. Croley about the bids and about the manufacture of the paulins. He informed me that his bid was \$49 50. I told him what mine was—\$50. At that time a person came out upon the stoop and told us we need not remain, for the bids would not be opened until half-past 11 o'clock. Corley took out his watch, and said it was nearly that time already. A few minutes later the man came out again, and told us that the contract was awarded to Mr. Ladue. The clerk said this. We asked to be shown the bids. He at first refused, and we remarked that that was very strange, as we had been in the habit of seeing bids which were public. As we insisted upon it, he read the bids over to us. The bids were \$47, \$49, \$49 50, and \$50. I claimed that my bid was the lowest, taking into consideration the nature of my bid, but it was not the lowest, taking into consideration the exact words of the advertisement. He read over the bids to me, and said that Ladue had got the contract.

Question. Did you say anything about the time when the securities were to be furnished?

Answer. No, sir.

Question. Did you furnish your securities when you put in your bid?

Answer. No, sir. We talked about that, and he said it was not necessary to attend to that until the contract was awarded; that I would then have time to put in my securities.

Question. Did you hear anything further about it?

Answer. I called afterwards and inquired why the contract was

given out to Mr. Hall, and not to the lowest bidder. The man of whom I made this inquiry was not the clerk, but somebody else. I had reason afterwards to believe that this was Captain Saxton. He replied that that was his business. That was all the answer he made, and I walked out of the office.

Question. At what time were the bids opened?

Answer. About half-past 11 o'clock.

Question. How long was it after the bids were opened that you understood the contract was awarded to Ladue?

Answer. It might have been five or ten minutes.

Question. How soon after that was it that you went in and inquired why the contract was not given to Ladue?

Answer. It was about half-past one o'clock.

Question. Then it was awarded to Hall before two o'clock?

Answer. Yes, sir.

Question. Was three or four hours an unreasonable time to give parties to put in their securities after notice of their having the contract awarded to them?

Answer. No, sir.

Question. Was there any pressing necessity why this contract should be entered into at once?

Answer. No, sir.

Question. When, by the terms of the contract, were the paulins to be finished?

Answer. On the 25th of September.

Question. What is this man who has the contract?

Answer. He is not a sailmaker. He keeps a millinery or a dry goods shop. After he got the contract he came out and said he had got it, and offered to sell it to me for \$1,000. I told him I did not want anything whatever to do with it. He then went to Mr. Corlies and wanted to sell it to him.

Question. Was Mr. Ladue, the lowest bidder, a sailmaker?

Answer. He was not.

Question. Where does Hall live?

Answer. In Newark.

Question. How much profit is there in the contract, at \$47?

Answer. About \$3,000.

NEW YORK, *September 6, 1861.*

Captain RUFUS SAXTON, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I am captain and assistant quartermaster, doing business in this city at present.

Question. I notice that you advertised for proposals to furnish 450 paulins, the bids to be opened on the 10th of September. Please state what you know of the bidders for that contract.

Answer. I do not know anything about the matter, except that one Hall put in the lowest bid, and I awarded the contract to him.

Question. Was his bid the lowest?

Answer. I said his was the lowest bid, but I believe another bid lower than his was put in, but the man that made it could not be found, and I awarded the contract to Hall, whose bid was the next lowest.

Question. Who acted for you in your absence that day?

Answer. I was not absent.

Question. Have you had a clerk?

Answer. Yes, sir.

Question. Did not your clerk act for you that day?

Answer. Not that I know of.

Question. Did not Mr. Ladue put in the lowest bid?

Answer. A bid, which was the lowest, was put in in his name, and after the bids were opened and examined, I sent my messenger to Ladue's place of business to inform him that he had the contract, and to tell him to come up and perfect the papers. My messenger reported to me that he could not find Ladue; that his place of business looked so poorly that he did not believe that he could take the contract. Not being able to find him, and believing that he would not come to claim the contract, or if he did, that he would not be able to fulfil it, I awarded it to the next lowest bidder, a Mr. Hall. It was all done in good faith, and I regretted afterwards that it so happened, because Ladue came, though too late, and offered security for the fulfilment of the contract. I would here state to the committee, that I was under no obligation to advertise for proposals, my instructions being to have these articles finished as rapidly as possible, and it was only on account of the action of some third parties that I was induced to advertise for proposals, in order to save the government from being imposed upon.

NEW YORK, *September 2, 1861.*

ANTHONY ARNOUX, being duly sworn, was examined, as follows:

Examination by Mr. Holman.

Question. State the character of your business, and the place where it is carried on.

Answer. Tailoring; at 531 Broadway, New York.

Question. State what connexion you have had with the government of the United States, or with the government of the State of New York, for the furnishing of any army supplies during the present national difficulties?

Answer. We made one-sixth of the army clothing under the New York State contract, and we have also filled two or three orders for Colonel Vinton, of the quartermaster's department, and one from Colonel Thomas.

Question. Do you refer to the first contract made by the State?

Answer. No, sir. That was all given to Brooks Brothers.

Question. What particular contract do you refer to?

Answer. The contract which was divided among the six tailoring establishments of Seligman & Co., of New York; Develin, Hudson & Co., of New York; Baldwin, of New York; Barnum, of New York; Kellogg, of Utica; and A. & A. G. Arnoux, of New York.

Question. Are all these firms engaged in the clothing business?

Answer. I believe so.

Question. What is the name of the firm at Utica?

Answer. P. V. Kellogg & Co.

Question. About what time was this contract entered into?

Answer. I think about the 27th and 28th of May.

Question. Where was the contract entered into?

Answer. At Albany.

Question. Were all the parties you have mentioned parties to the contract?

Answer. Proposals for making 15,000 suits of clothing were advertised for, and the military board, which had the giving out of the contract, divided it up among six bidders, and each one of them entered into separate contracts.

Question. So that you had one-sixth of that amount?

Answer. Yes, sir.

Question. Were you present at the time the contract was made?

Answer. I signed the contract.

Question. Where was it signed?

Answer. We were called up to Albany to sign the contract, but it was not completed. We filed our bond there, and the contract was transmitted to us here to be executed.

Question. Through whose agency was the contract made?

Answer. That would be hard to tell. I had letters of introduction to the secretary of state, and to nearly all the prominent officials of the board.

Question. Were all those six firms acting in concert in making the bids?

Answer. No, sir; they all acted separately.

Question. How did you bid?

Answer. For the whole or a part.

Question. How many bids besides these six were put in?

Answer. Perhaps 150.

Question. It was given to no one man?

Answer. It was divided, so as to insure a competition among them to see who would get them up the best.

Question. Was the price the same?

Answer. The same to all these parties.

Question. Were any persons outside of your own firm interested in your contract?

Answer. No one was directly interested.

Question. Was any one indirectly interested in it?

Answer. I have acknowledged no obligation to any party, and I have refused to pay any one anything for having got this contract. I do not consider myself under any legal or moral obligation to any person for procuring this contract.

Question. What parties, if any, have insisted that you were under such obligation?

Answer. I will say that I had a letter of introduction to the secretary of state from Mr. Kelly, former democratic candidate for governor, and from Mr. Wm. E. Dodge, of the firm of Dodge & Co. As a matter of course I brought to bear all the power I could, and I consider those the most prominent men in getting me the contract.

Question. Which of those parties has insisted that you were under obligation to them?

Answer. Neither of them; but G. A. Scroggs, of Buffalo, wrote to me that I was under some obligation to him, and he thought I ought to look out a little for him.

Question. Did Mr. Scroggs occupy any public position at that time?

Answer. I do not know that he did.

Question. Do you know what business he was engaged in?

Answer. He was, I believe, a lawyer in Buffalo.

Question. In what manner was he interested in making the contract?

Answer. In no way.

Question. Or in influencing or inducing it to be made?

Answer. I have understood from other parties that he had no influence at all in the matter.

Question. Upon what did he base his claim upon you?

Answer. Upon an implied agreement.

Question. What did he insist that agreement was?

Answer. That if I obtained the contract he was to have a portion of the profits.

Question. Did he mention what proportion?

Answer. Yes, sir; it will be found in his letter.

Question. Can you furnish the committee with that letter?

Answer. Yes, sir.

Question. What other gentlemen besides Scroggs have insisted that they had any interest in this contract?

Answer. No other person.

Question. What other person does Scroggs say has an interest in the contract, and entitled to some consideration for having favored it?

Answer. No one, as from me. He claims that if any other person has a claim, it is upon him.

Question. Was he in Albany at the time the bids were received?

Answer. Yes, sir.

Question. What do you know about his asserting a similar claim against the other gentlemen whose bids were accepted?

Answer. Nothing. I never had any conversation with any of them about it.

Question. Has Scroggs, either directly or indirectly, any connexion with any officer of the State government?

Answer. If you were to ask me of my own knowledge, I should say "no." I know of his going out riding with one of them, and of being on good terms with all of them.

Question. What did you understand from him as to his relation with the officers of the State government?

Answer. Nothing.

Question. What information did you receive upon that subject in conversation with other parties?

Answer. I was introduced to a son of one those State officers, by him, when he remarked "now you see what influences we are going to bring to bear." But that influence was not thrown in my favor.

Question. What State officer was this to whose son they were introduced?

Answer. Philip Dorsheimer.

Question. What was the purport of the conversation between you and the son?

Answer. Very little; he had very little to say. What we said was mostly in reference to the fact that the goods required could not be found in New York. It was such conversation as might be had by any member of the committee. It was also stated that the board would receive propositions for other kinds of goods provided we could not furnish the army cloth.

Question. Upon what authority did he assume to state what other goods would be received?

Answer. None, except the general hearsay of the place. I arrived in Albany late Saturday afternoon, but Scroggs had been there before, and had been in communication more fully with the members of the board than I had been.

Question. Did you base the bids you submitted upon any knowledge received from him?

Answer. I modified the bid I originally started up to Albany with. That modified bid stated what we would furnish the articles for, made of the cloth and quality of goods we submitted to the board. I had not previously made out a written proposal, but had merely a memorandum of what the articles would cost; intending, when I reached Albany, to make out my bids after getting what information I could. The bids were to be opened Monday morning at 12 o'clock.

Question. When you went to Albany you did not propose to bid for the style of goods mentioned in the advertisement of the board?

Answer. We proposed to bid upon them as well as upon other goods of which we had samples, so that in case one was thrown out we could put in another one. But I got the same advice, which those gentlemen gave me, from other parties. It was generally talked about that the required goods could not be obtained.

Question. From what other persons did you obtain the information as to the style of goods which would be considered?

Answer. From whatever members of the board I was able to see Monday morning—and I saw a number of them about this matter. All the members of the board were free in their expressions as to the

kind of goods which would be accepted. I found out that these two men knew no more about the matter than everybody else.

Question. Had you been acquainted with Scroggs before?

Answer. He had been a customer of mine, but I did not know him as a man that was to come to Albany to meet me to see this thing through.

Question. Did he come there for that purpose?

Answer. I do not know, but I presume he did.

Question. By whose influence?

Answer. That is more than I know. A man by the name of Captain Smith was in connexion with me previous to that time in the negotiation, or whatever it may be called. Everything was done in a legal and regular manner; and there was no bargain, or attempt at bargain, to obtain by improper influences anything of this kind.

Question. Who is Captain Smith?

Answer. A waif around town so far as I know.

Question. A gentleman engaged in political movements?

Answer. He is somewhat of a politician.

Question. Was it through his influence that Scroggs met you at Albany?

Answer. I think it was.

Question. Could it have been at the influence of anybody else?

Answer. I do not see how it could have been.

Question. Did Captain Smith come from Buffalo to meet you?

Answer. I believe he did. Some one in my employment previous to this time, being in Buffalo, told some one there that these State contracts would soon be let, and these parties, I suppose, took the matter up to make something out of it by charging for their services. This man whom I sent west in my employment was named Eaton.

Question. Then if any person negotiated for you with Smith & Scroggs it was Eaton.

Answer. I suppose so.

Question. And they came on from Buffalo to meet you at Albany?

Answer. Smith came more immediately from New York.

Question. Was it through his influence, after he came here, that Scroggs came to Albany?

Answer. I suppose it must have been.

Question. Had either of those gentlemen any connexion with the governor of the State?

Answer. Not to my knowledge.

Question. What family relations did either of them occupy towards officers of the State government?

Answer. None.

Question. But both were active politicians?

Answer. I know very little of either of them.

Question. You understand them to be active politicians?

Answer. I thought they might be.

Question. Have you any doubt that they were?

Answer. Smith is a floating character, ready for anything, whether political or otherwise. He is ready for anything out of which he can make money.

Question. Had any officer of the government of the State of New York, or of the city of New York, either directly or indirectly, any interest in the contract you made, and to which you have already referred?

Answer. I do not know that they have or had.

Question. Have you any reason to believe they have?

Answer. What Mr. Scroggs's arrangements with any of those officers may be I have no idea.

Question. What arrangement does he state that he made with any of them?

Answer. He says they have no claim upon me.

Question. Does he state that they have a claim upon him?

Answer. He said he made a bargain with Captain Smith, but that I had nothing to do with that.

Question. You were insisting that you were liable or under obligation to other parties, and he was insisting that you were liable to himself alone?

Answer. Yes, sir; Smith borrowed a small sum of money of me, but Scroggs does not recognize his obligations.

Question. With whom does Smith say he entered into obligation?

Answer. He does not say.

Question. You have assumed in your conversations with him that you are under some obligation to some officer of the State?

Answer. No, sir; I did not assume that. I inquired whether this young Mr. Dorsheimer had not some claim upon me. He said "no;" that the young man had no claim upon me but upon him.

Question. Scroggs introduced you to this young man?

Answer. Yes, sir—that is, to young Mr. Dorsheimer.

Question. That was upon the morning of the day before the bids were opened.

Answer. Yes, sir.

Question. What did he say about that being the proper mode of influencing the matter so as to obtain a fair contract?

Answer. I think it was Smith who made the remark, "You see what kind of influences we are bringing to bear."

Question. Was that at the time of your introduction to the young Mr. Dorsheimer?

Answer. Yes, sir. I did not know what influence they might have.

Question. Was that remark of Smith made in the presence of this young man?

Answer. It was made as a side remark to me.

Question. You somewhat questioned their influence.

Answer. That was just it. I was bringing forward my letters of introduction and all my influence, and I wanted to know whether Smith and Scroggs could do anything for me; whether they were going to be thrown by anybody in the board, and whether I could get my own influences to bear. The result was that I did not depend upon them; and if I had I should not have got the contract.

Question. Who were present besides Smith, Scroggs, and yourself, when you had the interview with this young man?

Answer. We four were together only.

Question. The only information the gentlemen gave to you was as to the kind of material to be furnished, and you adopted the suggestion.

Answer. I found that their suggestion was the same as that thrown out by the members of the board themselves. It was known by all that the required goods were not in the market.

Question. You were aware that the father of this young man was a member of the board.

Answer. Yes, sir.

Question. What arrangement did he enter into as to seeing some member of the board, or anything of that kind?

Answer. I do not know anything about it.

Question. What did Scroggs tell you about an arrangement with this young man?

Answer. Nothing. I took all on trust.

Question. Did Smith tell you anything of the nature of the arrangement?

Answer. Not a word.

Question. When Scroggs insisted that you were liable to him, you insisted that you were liable to this young man.

Answer. I was afraid so. I do not think that this Scroggs party had the least influence.

Question. You obtained the contract?

Answer. No, sir; not that contract, for the contract I took was for regular army goods. We had to get the army goods, and did get them.

Question. Did you have any interview with the governor himself.

Answer. I did not see him. He was engaged in his own room. I had a letter of introduction to him from Mr. Dodge, who stands very high, and is a very influential man. He had been a friend of my father. Mr. Kelly also had been a friend of my father for thirty years. I had also a letter from Raymond, of the New York Times, another customer of mine, to the lieutenant governor. All those gentlemen took hold and acted as my friends, and neither one of those parties ever intimated that I was under obligation to them.

Question. You state that neither since that time nor before have you incurred any liability, legal or moral, with any officer of the State government, directly or indirectly, for a division of the profits of this contract, or for any remuneration whatever.

Answer. I would state that, because I do not acknowledge even the obligation claimed by these parties.

Question. Is any claim made except by Scroggs & Smith?

Answer. They alone assert a claim against me.

Question. And they say they are responsible to State officers.

Answer. They have not said so.

Question. That they are responsible to other parties?

Answer. I have not said that.

Question. Do they profess to be responsible to somebody?

Answer. If you make a call for the correspondence you will receive it, and that contains all the information I have upon that point. I do not know what Scroggs or Smith's relations were with young Dorshimer, or with his father, if any.

Question. Had any officer of the government of the State of New York, or of the city of New York, either directly or indirectly, any interest in the contract you made, and to which you have already referred?

Answer. I do not know that they have or had.

Question. Have you any reason to believe they have?

Answer. What Mr. Scroggs's arrangements with any of those officers may be I have no idea.

Question. What arrangement does he state that he made with any of them?

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Question. Who were present besides Smith, Scroggs, and yourself, when you had the interview with this young man?

Answer. We four were together only.

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Question. You obtained the contract?

Answer. No, sir; not that contract, for the contract I took was for regular army goods. We had to get the army goods, and did get them.

Question. Did you have any interview with the governor himself.

Answer. I did not see him. He was engaged in his own room. I had a letter of introduction to him from Mr. Dodge, who stands very high, and is a very influential man. He had been a friend of my father. Mr. Kelly also had been a friend of my father for thirty years. I had also a letter from Raymond, of the New York Times, another customer of mine, to the lieutenant governor. All those gentlemen took hold and acted as my friends, and neither one of those parties ever intimated that I was under obligation to them.

Question. You state that neither since that time nor before have you incurred any liability, legal or moral, with any officer of the State government, directly or indirectly, for a division of the profits of this contract, or for any remuneration whatever.

Answer. I would state that, because I do not acknowledge even the obligation claimed by these parties.

Question. Is any claim made except by Scroggs & Smith?

Answer. They alone assert a claim against me.

Question. And they say they are responsible to State officers.

Answer. They have not said so.

Question. That they are responsible to other parties?

Answer. I have not said that.

Question. Do they profess to be responsible to somebody?

Answer. If you make a call for the correspondence you will receive it, and that contains all the information I have upon that point. I do not know what Scroggs or Smith's relations were with young Dorshimer, or with his father, if any.

Question. What were your profits upon that contract?

Answer. I suppose between five and six thousand dollars on a contract of \$45,000.

Question. Did you, before the contract was awarded, and while you were in Albany, have any conversation with any officer of the State government?

Answer. Yes, sir; with different officers.

Question. In your conversations with them did any of them refer to Scroggs?

Answer. Not one of them.

Question. Did any of them intimate that they would like to have any connexion with the contract?

Answer. No, sir; on the contrary, every one of them to whom I spoke, and to whom I carried a letter of introduction, repudiated all connexion with the contract. In one instance I went so far, after it was all over, as to offer to make a present of a suit of clothes to one of them. He told me, as he refused, that he had done what he had done as a favor to other people, that whatever was done for me was done for friendship's sake. Whatever influence was brought to bear in my favor was brought to bear through the uprightness of the names I took to Albany with me.

Examination by the Chairman.

Question. What did he mean by saying that what he did was done as a favor to others?

Answer. I took with me letters of introduction from Mr. Dodge, Mr. Kelly, Mr. Stewart, and a few other men of that character, to members of the board at Albany. Those letters of introduction being from men of high position, character, and influence, gave me character and standing with the board. When, afterwards, I asked one of the officers of the board if he would not let me make him a present of a suit of clothes for what he had done for me, he said that he did not know me in the matter; that he did what he had done as a matter of friendship to those who recommended me.

Question. Were the offers which were made by these competitors all offers of nearly the same character?

Answer. Pretty nearly. Mine was lower than any other bid that went in, but it was based upon a substitution of goods.

Question. But the substitution was not made?

Answer. It was not. They gave me one-sixth of the contract as finally arranged. They raised my bid a little, and lowered that of somebody else. They made a proposition to divide the contract among the six, at a certain price, they fixing the price from the bids, and having the inspection of the articles. The goods we furnished were above the army standard, and we had a very severe inspection to pass.

Question. Was there any complaint of the goods afterwards?

Answer. Not of any of the goods furnished under that contract.

Question. Were the profits realized by each one of the parties about the same?

Answer. I suppose so—about \$5,000 each.

Examination by Mr. Steele.

Question. You stated that the claim made upon you by some gentlemen since this contract was entered into for pay, or for some remuneration, was based upon an implied agreement. Why did they claim that there was an implied agreement?

Answer. The matter was started upon their side, they insisting that there was to be a division of the profits if we obtained the contract.

Question. What proportion of profits do they insist upon?

Answer. One-half. I do not recognize the claim, but they still insist that they did make an agreement with me by which they were to get one half of the profits for their influence in getting the contract for me.

Question. What do you know about the action of the other five parties in this respect?

Answer. Nothing.

Question. I desire to know whether there was any conversation between you and Scroggs about that matter?

Answer. There was. Some three weeks before the contract was given out, it was agreed that in case Smith should get the whole contract for me they were to have one-half the profits.

Question. Do they make the same claim against the other contractors?

Answer. I do not know.

Question. You insisted that young Dorsheimer was interested in the matter, and that you would be responsible to him. Did you mention any other person to whom you would be responsible?

Answer. No, sir. I wrote to Scroggs that I could not settle with him at all; that I wanted to know the basis upon which his claim was made, because if he could come in and lay a claim, Smith and Dorsheimer, respectively, would have the same right to prefer a claim.

Question. In reply to that, Scroggs stated that you were not liable to those parties at all, but that all liability to other parties rested on him?

Answer. Yes, sir.

Question. What bargain did you make with Smith?

Answer. I made no bargain, except with Scroggs.

Question. When was young Dorsheimer first connected with this matter?

Answer. On the Sunday previous to the bids being opened.

Question. Did he intimate from whom this contract could be obtained?

Answer. There was a general impression among the trade that Dorsheimer, of Buffalo, and Myers, of Oswego, controlled it, but it turned out that they did not control it.

Question. Has young Dorsheimer put in a claim against you?

Answer. No, sir. I have not seen him since the contract was given out.

Question. Did he interest himself in your behalf, as well as Smith?

Answer. I do not know, other than that they were all there acting together, apparently.

Question. Was this contract awarded to the lowest bidders?

Answer. It was fairly awarded, and awarded to the lowest responsible bidders.

Question. Then there were no bids lower than those of the persons to whom the contract was finally awarded.

Answer. Yes, sir. There were some bids offered for sixteen dollars and some cents, which bids could not be carried out.

Question. Was any security given?

Answer. I gave security, but there was no security attached to the bids. I consider that the board gave out the contract at a low figure at that time. They made it at a figure rather lower than the mean between the extreme low bids and the extreme high bids.

Question. What parties in this city, or elsewhere, bid lower than you did?

Answer. I cannot say, because I did not hear all the bids read.

Question. Name those you recollect.

Answer. I do not recollect who made a bid lower than what I did, though I know there were such parties.

Question. You got the contract at a higher figure than your bid.

Answer. Slightly, and lower than the bids of others.

Examination by Mr. Holman.

Question. What was your bid?

Answer. I think I bid fifteen dollars and seventy-five cents a suit, basing it upon the use of cadet mixture, instead of dark blue.

Question. Did you not also make a bid for the dark blue?

Answer. I do not know as I did. I made a bid altogether for cadet cloth, and for as much dark blue as could be furnished. These were the terms of my bid, and they were not in conformity with the terms of the advertisement. Nor were those of the parties that under bid me.

Question. Then there were no bids in conformity to the advertisement.

Answer. One or two only.

Question. And those parties did not obtain the contract.

Answer. No, sir.

Question. At what price did they bid?

Answer. I think nineteen dollars and twenty-five cents a suit.

Question. On what terms was the contract given to you?

Answer. At eighteen dollars and fifty cents per suit.

Question. Were you compelled to accept terms exactly corresponding to the advertisement?

Answer. Exactly.

Question. And the same kind of cloth as required by the advertisement.

Answer. Except that the pantaloons were sky-blue kersey instead of dark.

Question. Is that worth as much as the dark?

Answer. It is worth from five to ten cents less; the dark blue, in

sufficient quantity, could not be had; it was the same goods as are now being used by the national government; they are making pantaloons of sky-blue, because dark blue cannot be had in sufficient quantities.

Question. What would be the difference in the cost of pantaloons made of the two articles?

Answer. About 22 cents.

Question. Were the bids, which were ultimately accepted, modified after they were opened?

Answer. In answer to that I can only say that, after the board had examined all the bids, they passed a resolution giving out the contract to those houses I have mentioned, or to such of them as would elect to take it, setting forth the price and the quality of the goods to be used.

Question. Can you recollect any party, bidding as low or lower than you did, who did not get any portion of the work?

Answer. I cannot.

Question. Have you not heard around here of persons who bid for that work, but did not receive it?

Answer. Yes, sir; but they did not bid lower, but higher.

Question. Then, you cannot recollect of anybody who bid lower than you did?

Answer. I cannot; though I heard that there was a party residing in the centre of the State who bid lower than anybody else.

Question. (By Mr. Van Wyck.) Where did he reside?

Answer. I think I heard that he resided in Auburn; and, furthermore, that everybody whistled at the bid, as it was said among the bidders; these goods were all high in price at that time.

Question. In applying for this contract, you understood evidently from the arrangement you made to get a part or the whole of it, that it was to be had through some other influence than the mere character of the bid; that is, you did not understand that it was going to be awarded to the man who made the best bid for the State?

Answer. I cannot say that. I understood it was to be a fair thing, and I believed it from the moment I put my foot in Albany and saw the character and actions of the men engaged in it. For that reason I ignored the services of Scroggs and his friends, and went upon the merits of my own bid. I conversed with them, but at the same time I did not think they would have any influence, and they did not have any influence in awarding the contract. For three or four weeks previous to that it was the general talk that everybody who wanted the contract must bring influences to bear upon Myers; but when I got to Albany I found that Myers's influence was very little indeed, and the members of the board with whom I talked expressly declared that no influence should control the contract, except such as were perfectly right and proper.

Question. When you saw young Dorsheimer for the first time, did you have any conversation with him in relation to this contract?

Answer. I did; but it was confined to the fact that the goods required could not be obtained.

Question. I believe you have stated that Scroggs and young Dorsheimer came on from Buffalo together?

Answer. Yes, sir.

Question. What was the contract price for overcoats?

Answer. Nine dollars.

Question. Did you furnish the uniform coat?

Answer. We furnished a more expensive coat than the United States coat.

Question. What did you get for the jacket and pantaloons?

Answer. Five dollars and fifty cents for the jacket and four dollars for the pantaloons; other parties are to-day making up the same goods for the State at a little less sum, but they are not trimmed so expensively, nor are the pantaloons so fully lined; we had to line them in the seat and put stays all through them.

Question. What is the price paid at present?

Answer. Sixteen dollars and fifty cents for the same work.

Question. What other contracts have you had?

Answer. I filled one order from Colonel Tompkins, assistant quartermaster here, for Kilpatrick's men, one from Colonel Vinton for McReynolds, for Van Allen's, and for Colonel Davis's regiments.

Question. When was your contract with Tompkins entered into?

Answer. Some time in July.

Question. Had he issued advertisements for the same through the public prints?

Answer. No, sir; it amounted to only \$1,200, and was done upon requisition.

Question. What was the article?

Answer. It was a peculiar style of uniform for a company, which was being formed here, and was not entirely the uniform of the United States.

Question. What was the character of the change?

Answer. The change was mostly confined to the fancy work put upon them; it was only for one company, and we measured every man.

Question. About what time was that?

Answer. Soon after the 4th of July.

Question. He employed you to make the uniforms for an entire company?

Answer. Yes, sir; for one hundred men.

Question. What was he to pay you?

Answer. Twelve dollars for jacket and pantaloons.

Question. For what company was that?

Answer. Kilpatrick's.

Question. How much did this price exceed the ordinary charge for suits of the same kind when made in the ordinary way?

Answer. Perhaps a dollar and a half a suit, and possibly two dollars a suit.

Question. These suits were made of army cloth?

Answer. Yes, sir; for a cavalry company.

Question. What would have been the ordinary price for the breeches about that time?

Answer. I do not remember. I guess about \$4 87.

Question. What would the jackets cost?

Answer. \$5 50, I think; making \$10 37 for both.

Question. And you made them for \$12 a suit?

Answer. Yes, sir.

Question. And the other price you have mentioned would have been about the ordinary price for the government work, as made by the government itself?

Answer. Yes, sir.

Question. And that price would have furnished them here?

Answer. Not quite; because we cannot work as cheaply as the government itself can.

Question. You say \$2 was the difference, growing out of the fact that you measured each man, and made the clothing a little better?

Answer. Yes, sir.

Question. What reason did Tompkins assign for incurring this additional expense?

Answer. I do not know. I never saw him; Col. Kilpatrick brought me the order.

Question. What reason did Kilpatrick assign?

Answer. None, other than he wanted the clothing made up unusually nice.

Question. Upon what service was this company to enter?

Answer. Cavalry service; and I believe each one of the colonels have exercised the right to direct as to the particular uniform of his regiment.

Question. Upon that 100 suits there was an additional expense incurred, from the manner in which you made it, of from \$150 to \$200?

Answer. About that.

Question. And no particular reason was given for it?

Answer. No, sir.

Question. But for the special order you would have made them in the ordinary way, and at the usual price?

Answer. No, sir; we could not make them as low as the government could.

Question. What would you have made them for?

Answer. We should have charged \$1 50 a suit for the additional trouble of measuring each man and giving him a particular fit.

Question. That is, if you had made up the goods in the way in which you filled the State contract, you would have charged \$1 50 less than you did?

Answer. Yes, sir.

Question. What other contract have you, or have you had for the government?

Answer. I have a heavy contract on hand now for Colonel Vinton.

Question. How many lots of clothing are there to be furnished?

Answer. I have furnished the McReynold's cavalry, and they have left.

Question. When did you furnish them?

Answer. Three or four weeks ago.

Question. At what price?

Answer. \$9 50 per suit.

Question. Was this contract made with or without advertisement?

Answer. Without.

Question. Was the contract made directly with Colonel Vinton?

Answer. Yes, sir.

Question. What position did Colonel Vinton occupy?

Answer. That of assistant quartermaster general of the United States.

Question. Was the contract made here?

Answer. Yes, sir.

Question. There was no competition for this contract?

Answer. Yes, there was.

Question. In what way was the competition created?

Answer. By bringing the dealers into his office, laying the clothing before them, and then giving the contract to which ever firm would do it the cheapest. If he wants a lot of clothing, a suit of clothes of the required kind is laid upon his table, and bids are received from dealers who are disposed to make them.

Question. But no notice is given to the public?

Answer. No notice is given through the press.

Question. Not even through the New York city papers?

Answer. I have never seen any notice published.

Question. This first contract was for \$9 50?

Answer. Something like \$9 50; consisting of jacket and pants.

Question. Was that as low as the work could be done in the city?

Answer. Quite as low.

Question. What was the entire profit upon the contract for clothing that regiment?

Answer. Not 50 cents a suit.

Question. How much less?

Answer. I made a calculation, and I think it did not exceed 17 cents upon a suit.

Question. Was there anything peculiar in the manner in which that clothing was made?

Answer. No, sir.

Question. What was the next contract you filled?

Answer. I made the clothing for the Van Allen cavalry for about the same price, and about the same quality. I think the price was \$9 30. There are different kinds of coats. Buglers' coats cost a little more and privates' coats a little less.

Question. How many yards of cloth, on an average, does it require to make a suit?

Answer. A very large proportion of the pantaloons are made double, and they take two and a half yards; and the jackets two yards and over a quarter.

Question. What was the cloth you made them of worth in this market?

Answer. I contracted with Colonel Vinton the other day for clothing, based upon \$1 07 as the value of the cloth.

Question. But I refer to the time when this cavalry regiment was equipped?

Answer. I have come short of cloth, and have paid to-day \$1 20 for

the same cloth from which I contracted to make the clothing; and I lose money on the contract I am now closing with him.

Question. What was the cost of making the clothing?

Answer. The jackets cost, some \$1 25 and some \$1 each; the cost depending somewhat upon the supply of hands.

Question. What would be a fair market price for cutting and making up these goods into coats and pantaloons?

Answer. The cloth for jackets and pantaloons were different kinds. I cannot answer the question directly, but I can have my clerk make out a statement and send to you. I am commencing to-day a contract for Colonel Vinton amounting to \$120,000

Question. Was that entered into without advertisement?

Answer. Yes, sir; it is for work immediately wanted.

Question. Is it for full suits?

Answer. No, sir; for pantaloons only.

Question. Of what kind of cloth?

Answer. Regulation pants, of dark cloth.

Question. Do you furnish everything, and at what price?

Answer. Yes, sir; for \$3 10 a pair.

Question. How many pair?

Answer. 45,000.

Question. When did you make that contract?

Answer. About two weeks ago.

Question. Have you commenced the work yet?

Answer. Yes, sir; I commenced it to-day.

Question. You say there was no advertisement?

Answer. None.

Question. By the terms of the contract, when were you to commence it?

Answer. I was to make the first delivery on the 15th of this month.

Question. And in what lots do you deliver?

Answer. I have then to deliver 3,000 pairs, and make 3,000 pairs every week after that until the contract is completed.

Question. What influences, if any, were there that induced Colonel Vinton to give out a contract to you of over \$100,000 worth of work, without advertisement?

Answer. None that I know of, other than that the work I have done has passed inspection, and that the inspector says the work we have done is better than that done by anybody else.

Question. Is there any understanding, express or implied, with Colonel Vinton or with his friends, that he is to derive any benefit from this contract?

Answer. None whatever. And more than that, I wanted Colonel Vinton to buy a suit of clothes, but he would not come to my store for them because I was doing work for him.

Question. Does there exist any understanding of that kind with any one?

Answer. Nothing of the kind with any person on the face of the globe.

Question. Have you had any connexion with contracts with the government?

Answer. I have bid for two or three contracts, but I have received none.

Question. What did you bid for?

Answer. Day before yesterday I bid for 450 paulins for the government. They are strips of duck, joined together, 19 feet wide and 30 feet long.

Question. State the nature of your bid.

Answer. I examined the advertisement and put in a bid for \$47 each. Before I made the bid I made inquiries in reference to the sureties required, and I was informed that they could be furnished afterwards—the day following; I was told this by a man in the office of the assistant quartermaster, No. 7 Bowling Green. The bids were to be received up to, and to be opened at, 10 o'clock a. m., but as I could not go there that day, I sent a man by the name of Gandal to act for me. He was there by 10 o'clock, and put in the bid; he is engaged in the same business, but did not want to bid for this contract; he was going to put in a bid for oats and hay. They told him to call there at 3 o'clock in the afternoon, and then they would decide who had the contract. They did not open the bids at ten o'clock, as it was supposed they would; the advertisement stated that they would receive bids until 10 o'clock. They did not open them at all publicly, but opened them at half-past eleven o'clock. They told Gandal that if he would be back at three o'clock, it would answer. He went across the river and returned at half-past one o'clock, and then found that they had awarded the contract to a bidder whose bid was a little higher than mine—a Mr. Hall.

Question. What reason was assigned for that?

Answer. The reason they assigned to Gandal was, that I did not come there with my sureties; Gandal went there and offered them \$2,000 in cash as security for the fulfilment of the contract. It is usual when you put in a bid to state the place of business. I gave my place of business as No. 14 Ann street; the custom is then for them to send a notice to that business place.

Question. Did you offer sureties in your bid?

Answer. No, sir.

Question. Was not that necessary?

Answer. No, sir; I went to ask particularly about that; it is usually necessary. I made particular inquiry about that matter, and I was told that the bonds could be produced the day following the opening of the bids.

Question. And the reason given to your agent for not receiving the bid was that you were not there with your sureties at the time?

Answer. Yes, sir; and they had given him until three o'clock to be there.

Question. What knowledge have you that your bid was the lowest?

Answer. I have no positive knowledge as to that; one of the bidders informed me that he saw the contract, and it was for a larger amount than my bid.

Question. Do you know whether this Hall's bid contained any different terms from yours?

Answer. It did not; the bidders being all required to bid according to the published advertisement.

Question. Were there any bids lower than yours?

Answer. Not that I know of; I believe that after a while some of the bidders demanded to know what the bids were. This was at first refused, but afterwards they told what all the bids were; I have this upon information.

Question. Who is this Mr. Hall, the successful bidder?

Answer. A gentleman from Newark; the bids ranged from forty-seven to fifty dollars.

Question. Do you know of any other reason than that urged by the party in charge why your bid was not accepted?

Answer. I do not; I was and am ready to provide the sureties, and they are beyond question.

Question. Can you furnish the committee with the name of this man who seemed to be acting for Captain Saxton?

Answer. I cannot; I supposed up to yesterday morning that he was Captain Saxton himself, the assistant quartermaster; but Mr. Crolies, who made one of the bids, informed me that this man was not the quartermaster.

Question. Cannot you ascertain the name?

Answer. I suppose so; this whole matter is not of much importance, but I want to ascertain whether there is any use in bidding for this kind of work.

Question. Can you inform the committee of the name of any one of the officers who acted in connexion with the opening of the bids and awarding the contract?

Answer. I cannot now.

NEW YORK, *September* 6, 1861.

JAMES R. GANDALL, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and place of business.

Answer. My residence is Fort Edward, Washington county; I am a farmer.

Question. State what you know in relation to a bid being put in by Mr. Ladue under an advertisement by Mr. Saxton, assistant quartermaster of the United States, for the furnishing of paulins.

Answer. I took in the bid for him myself, day before yesterday morning about 9½ o'clock, before the time expired limited in the advertisement. The bid was received. I then told the clerk I was going over to Brooklyn, and inquired what time I should call in to ascertain the result. I asked if three o'clock would answer. He

replied that it would. I left, and returned again about half past one o'clock. Mr. Saxton and the gentleman who had the bid awarded to him sat at the table. I did not want to interfere with them at that time, but when they got through I walked up and inquired who received the contract. He replied, "This gentleman." I inquired, "Can you tell me what his bid is?" He replied, "I do not know that I should tell you." I said, "I put in a bid here for \$47, and I want to know whether his is lower." Said he, "I have sent all over town for you, but I could not find you." Said I, "It is not very late yet." He said that the contract had been given out to this gentleman, but that he was sorry for it; that he had sent all over town for me, and had sent to Ladue's office.

Question. Why did you take the bid to the office?

Answer. I was the agent of Ladue, and took it for him.

Question. And the reason given by the man you supposed to be Saxton was that Ladue was not there to enter into a contract; that he had sent to his office to find him, but did not succeed?

Answer. Yes, sir; and I said to Mr. Saxton that I was ready to enter into bonds at once; that I even had the money with me if that the bondsmen were not there. He said he was sorry, but that it was too late now, as the contract was completed.

Question. What other reason did he assign?

Answer. That was all. I did not make any more words with him.

Question. Why did you not speak to him when you first came into the office, and before they had completed the writing?

Answer. Because I did not want to interrupt them.

Question. Why did he not revoke the contract then?

Answer. The man was there when I went in, but he had gone out before I finished the conversation. He went out when we commenced the conversation.

Question. What is the rule in relation to the time allowed parties to file their securities on contracts?

Answer. I do not know, and that is the reason why I asked the question. I asked the clerk if three o'clock would answer. He said yes. I returned before three o'clock.

Question. Did you see the clerk when you returned?

Answer. No, sir; he was not there.

Question. Did you report to Captain Saxton what the clerk had told you?

Answer. No, sir.

Question. Did you make any demand upon him for the contract?

Answer. No, sir.

Question. Do you know who Hall is?

Answer. No, sir.

Question. Do you know the name of the clerk?

Answer. I do not.

Question. What connexion had you with Ladue in this matter?

Answer. I put in the bid for him, and in his name, expecting to have an interest in the contract. I expected to furnish the bail and the capital.

Question. What could you have made upon the contract at \$47 each paulin?

Answer. We figured it up, and thought we could make a little over \$3,000.

Question. What can Mr. Hall make upon it?

Answer. Well, his bid was two dollars higher than ours, and there are 450 paulins to be made, which makes \$900 difference in his favor.

NEW YORK, *September 6, 1861.*

JOHN MOAKLY, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and place of business.

Answer. I reside in this city, and I am a sailmaker by trade.

Question. What do you know of the bids which were to be opened on the 4th of September, under the advertisement of Captain Saxton, for the making of 450 paulins?

Answer. I called at the assistant quartermaster's office, where the bids were to be received, about a quarter before 10 o'clock on the morning of the 4th, and put in my bid. I supposed I handed it to Captain Saxton. After that I came out upon the stoop and commenced a conversation with a Mr. Croley about the bids and about the manufacture of the paulins. He informed me that his bid was \$49 50. I told him what mine was—\$50. At that time a person came out upon the stoop and told us we need not remain, for the bids would not be opened until half-past 11 o'clock. Corley took out his watch, and said it was nearly that time already. A few minutes later the man came out again, and told us that the contract was awarded to Mr. Ladue. The clerk said this. We asked to be shown the bids. He at first refused, and we remarked that that was very strange, as we had been in the habit of seeing bids which were public. As we insisted upon it, he read the bids over to us. The bids were \$47, \$49, \$49 50, and \$50. I claimed that my bid was the lowest, taking into consideration the nature of my bid, but it was not the lowest, taking into consideration the exact words of the advertisement. He read over the bids to me, and said that Ladue had got the contract.

Question. Did you say anything about the time when the securities were to be furnished?

Answer. No, sir.

Question. Did you furnish your securities when you put in your bid?

Answer. No, sir. We talked about that, and he said it was not necessary to attend to that until the contract was awarded; that I would then have time to put in my securities.

Question. Did you hear anything further about it?

Answer. I called afterwards and inquired why the contract was

given out to Mr. Hall, and not to the lowest bidder. The man of whom I made this inquiry was not the clerk, but somebody else. I had reason afterwards to believe that this was Captain Saxton. He replied that that was his business. That was all the answer he made, and I walked out of the office.

Question. At what time were the bids opened?

Answer. About half-past 11 o'clock.

Question. How long was it after the bids were opened that you understood the contract was awarded to Ladue?

Answer. It might have been five or ten minutes.

Question. How soon after that was it that you went in and inquired why the contract was not given to Ladue?

Answer. It was about half-past one o'clock.

Question. Then it was awarded to Hall before two o'clock?

Answer. Yes, sir.

Question. Was three or four hours an unreasonable time to give parties to put in their securities after notice of their having the contract awarded to them?

Answer. No, sir.

Question. Was there any pressing necessity why this contract should be entered into at once?

Answer. No, sir.

Question. When, by the terms of the contract, were the paulins to be finished?

Answer. On the 25th of September.

Question. What is this man who has the contract?

Answer. He is not a sailmaker. He keeps a millinery or a dry goods shop. After he got the contract he came out and said he had got it, and offered to sell it to me for \$1,000. I told him I did not want anything whatever to do with it. He then went to Mr. Corlies and wanted to sell it to him.

Question. Was Mr. Ladue, the lowest bidder, a sailmaker?

Answer. He was not.

Question. Where does Hall live?

Answer. In Newark.

Question. How much profit is there in the contract, at \$47?

Answer. About \$3,000.

NEW YORK, *September 6, 1861.*

Captain RUFUS SAXTON, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I am captain and assistant quartermaster, doing business in this city at present.

Question. I notice that you advertised for proposals to furnish 450 paulins, the bids to be opened on the 10th of September. Please state what you know of the bidders for that contract.

Answer. I do not know anything about the matter, except that one Hall put in the lowest bid, and I awarded the contract to him.

Question. Was his bid the lowest?

Answer. I said his was the lowest bid, but I believe another bid lower than his was put in, but the man that made it could not be found, and I awarded the contract to Hall, whose bid was the next lowest.

Question. Who acted for you in your absence that day?

Answer. I was not absent.

Question. Have you had a clerk?

Answer. Yes, sir.

Question. Did not your clerk act for you that day?

Answer. Not that I know of.

Question. Did not Mr. Ladue put in the lowest bid?

Answer. A bid, which was the lowest, was put in in his name, and after the bids were opened and examined, I sent my messenger to Ladue's place of business to inform him that he had the contract, and to tell him to come up and perfect the papers. My messenger reported to me that he could not find Ladue; that his place of business looked so poorly that he did not believe that he could take the contract. Not being able to find him, and believing that he would not come to claim the contract, or if he did, that he would not be able to fulfil it, I awarded it to the next lowest bidder, a Mr. Hall. It was all done in good faith, and I regretted afterwards that it so happened, because Ladue came, though too late, and offered security for the fulfilment of the contract. I would here state to the committee, that I was under no obligation to advertise for proposals, my instructions being to have these articles finished as rapidly as possible, and it was only on account of the action of some third parties that I was induced to advertise for proposals, in order to save the government from being imposed upon.

NEW YORK, *September 2*, 1861.

ANTHONY ARNOUX, being duly sworn, was examined, as follows:

Examination by Mr. Holman.

Question. State the character of your business, and the place where it is carried on.

Answer. Tailoring; at 531 Broadway, New York.

Question. State what connexion you have had with the government of the United States, or with the government of the State of New York, for the furnishing of any army supplies during the present national difficulties?

Answer. We made one-sixth of the army clothing under the New York State contract, and we have also filled two or three orders for Colonel Vinton, of the quartermaster's department, and one from Colonel Thomas.

Question. Do you refer to the first contract made by the State?

Answer. No, sir. That was all given to Brooks Brothers.

Question. What particular contract do you refer to?

Answer. The contract which was divided among the six tailoring establishments of Seligman & Co., of New York; Develin, Hudson & Co., of New York; Baldwin, of New York; Barnum, of New York; Kellogg, of Utica; and A. & A. G. Arnoux, of New York.

Question. Are all these firms engaged in the clothing business?

Answer. I believe so.

Question. What is the name of the firm at Utica?

Answer. P. V. Kellogg & Co.

Question. About what time was this contract entered into?

Answer. I think about the 27th and 28th of May.

Question. Where was the contract entered into?

Answer. At Albany.

Question. Were all the parties you have mentioned parties to the contract?

Answer. Proposals for making 15,000 suits of clothing were advertised for, and the military board, which had the giving out of the contract, divided it up among six bidders, and each one of them entered into separate contracts.

Question. So that you had one-sixth of that amount?

Answer. Yes, sir.

Question. Were you present at the time the contract was made?

Answer. I signed the contract.

Question. Where was it signed?

Answer. We were called up to Albany to sign the contract, but it was not completed. We filed our bond there, and the contract was transmitted to us here to be executed.

Question. Through whose agency was the contract made?

Answer. That would be hard to tell. I had letters of introduction to the secretary of state, and to nearly all the prominent officials of the board.

Question. Were all those six firms acting in concert in making the bids?

Answer. No, sir; they all acted separately.

Question. How did you bid?

Answer. For the whole or a part.

Question. How many bids besides these six were put in?

Answer. Perhaps 150.

Question. It was given to no one man?

Answer. It was divided, so as to insure a competition among them to see who would get them up the best.

Question. Was the price the same?

Answer. The same to all these parties.

Question. Were any persons outside of your own firm interested in your contract?

Answer. No one was directly interested.

Question. Was any one indirectly interested in it?

Answer. I have acknowledged no obligation to any party, and I have refused to pay any one anything for having got this contract. I do not consider myself under any legal or moral obligation to any person for procuring this contract.

Question. What parties, if any, have insisted that you were under such obligation?

Answer. I will say that I had a letter of introduction to the secretary of state from Mr. Kelly, former democratic candidate for governor, and from Mr. Wm. E. Dodge, of the firm of Dodge & Co. As a matter of course I brought to bear all the power I could, and I consider those the most prominent men in getting me the contract.

Question. Which of those parties has insisted that you were under obligation to them?

Answer. Neither of them; but G. A. Scroggs, of Buffalo, wrote to me that I was under some obligation to him, and he thought I ought to look out a little for him.

Question. Did Mr. Scroggs occupy any public position at that time?

Answer. I do not know that he did.

Question. Do you know what business he was engaged in?

Answer. He was, I believe, a lawyer in Buffalo.

Question. In what manner was he interested in making the contract?

Answer. In no way.

Question. Or in influencing or inducing it to be made?

Answer. I have understood from other parties that he had no influence at all in the matter.

Question. Upon what did he base his claim upon you?

Answer. Upon an implied agreement.

Question. What did he insist that agreement was?

Answer. That if I obtained the contract he was to have a portion of the profits.

Question. Did he mention what proportion?

Answer. Yes, sir; it will be found in his letter.

Question. Can you furnish the committee with that letter?

Answer. Yes, sir.

Question. What other gentlemen besides Scroggs have insisted that they had any interest in this contract?

Answer. No other person.

Question. What other person does Scroggs say has an interest in the contract, and entitled to some consideration for having favored it?

Answer. No one, as from me. He claims that if any other person has a claim, it is upon him.

Question. Was he in Albany at the time the bids were received?

Answer. Yes, sir.

Question. What do you know about his asserting a similar claim against the other gentlemen whose bids were accepted?

Answer. Nothing. I never had any conversation with any of them about it.

Question. Has Scroggs, either directly or indirectly, any connexion with any officer of the State government?

Answer. If you were to ask me of my own knowledge, I should say "no." I know of his going out riding with one of them, and of being on good terms with all of them.

Question. What did you understand from him as to his relation with the officers of the State government?

Answer. Nothing.

Question. What information did you receive upon that subject in conversation with other parties?

Answer. I was introduced to a son of one those State officers, by him, when he remarked "now you see what influences we are going to bring to bear." But that influence was not thrown in my favor.

Question. What State officer was this to whose son they were introduced?

Answer. Philip Dorsheimer.

Question. What was the purport of the conversation between you and the son?

Answer. Very little; he had very little to say. What we said was mostly in reference to the fact that the goods required could not be found in New York. It was such conversation as might be had by any member of the committee. It was also stated that the board would receive propositions for other kinds of goods provided we could not furnish the army cloth.

Question. Upon what authority did he assume to state what other goods would be received?

Answer. None, except the general hearsay of the place. I arrived in Albany late Saturday afternoon, but Scroggs had been there before, and had been in communication more fully with the members of the board than I had been.

Question. Did you base the bids you submitted upon any knowledge received from him?

Answer. I modified the bid I originally started up to Albany with. That modified bid stated what we would furnish the articles for, made of the cloth and quality of goods we submitted to the board. I had not previously made out a written proposal, but had merely a memorandum of what the articles would cost; intending, when I reached Albany, to make out my bids after getting what information I could. The bids were to be opened Monday morning at 12 o'clock.

Question. When you went to Albany you did not propose to bid for the style of goods mentioned in the advertisement of the board?

Answer. We proposed to bid upon them as well as upon other goods of which we had samples, so that in case one was thrown out we could put in another one. But I got the same advice, which those gentlemen gave me, from other parties. It was generally talked about that the required goods could not be obtained.

Question. From what other persons did you obtain the information as to the style of goods which would be considered?

Answer. From whatever members of the board I was able to see Monday morning—and I saw a number of them about this matter. All the members of the board were free in their expressions as to the

kind of goods which would be accepted. I found out that these two men knew no more about the matter than everybody else.

Question. Had you been acquainted with Scroggs before?

Answer. He had been a customer of mine, but I did not know him as a man that was to come to Albany to meet me to see this thing through.

Question. Did he come there for that purpose?

Answer. I do not know, but I presume he did.

Question. By whose influence?

Answer. That is more than I know. A man by the name of Captain Smith was in connexion with me previous to that time in the negotiation, or whatever it may be called. Everything was done in a legal and regular manner; and there was no bargain, or attempt at bargain, to obtain by improper influences anything of this kind.

Question. Who is Captain Smith?

Answer. A waif around town so far as I know.

Question. A gentleman engaged in political movements?

Answer. He is somewhat of a politician.

Question. Was it through his influence that Scroggs met you at Albany?

Answer. I think it was.

Question. Could it have been at the influence of anybody else?

Answer. I do not see how it could have been.

Question. Did Captain Smith come from Buffalo to meet you?

Answer. I believe he did. Some one in my employment previous to this time, being in Buffalo, told some one there that these State contracts would soon be let, and these parties, I suppose, took the matter up to make something out of it by charging for their services. This man whom I sent west in my employment was named Eaton.

Question. Then if any person negotiated for you with Smith & Scroggs it was Eaton.

Answer. I suppose so.

Question. And they came on from Buffalo to meet you at Albany?

Answer. Smith came more immediately from New York.

Question. Was it through his influence, after he came here, that Scroggs came to Albany?

Answer. I suppose it must have been.

Question. Had either of those gentlemen any connexion with the governor of the State?

Answer. Not to my knowledge.

Question. What family relations did either of them occupy towards officers of the State government?

Answer. None.

Question. But both were active politicians?

Answer. I know very little of either of them.

Question. You understand them to be active politicians?

Answer. I thought they might be.

Question. Have you any doubt that they were?

Answer. Smith is a floating character, ready for anything, whether political or otherwise. He is ready for anything out of which he can make money.

Question. Had any officer of the government of the State of New York, or of the city of New York, either directly or indirectly, any interest in the contract you made, and to which you have already referred?

Answer. I do not know that they have or had.

Question. Have you any reason to believe they have?

Answer. What Mr. Scroggs's arrangements with any of those officers may be I have no idea.

Question. What arrangement does he state that he made with any of them?

Answer. He says they have no claim upon me.

Question. Does he state that they have a claim upon him?

Answer. He said he made a bargain with Captain Smith, but that I had nothing to do with that.

Question. You were insisting that you were liable or under obligation to other parties, and he was insisting that you were liable to himself alone?

Answer. Yes, sir; Smith borrowed a small sum of money of me, but Scroggs does not recognize his obligations.

Question. With whom does Smith say he entered into obligation?

Answer. He does not say.

Question. You have assumed in your conversations with him that you are under some obligation to some officer of the State?

Answer. No, sir; I did not assume that. I inquired whether this young Mr. Dorsheimer had not some claim upon me. He said "no;" that the young man had no claim upon me but upon him.

Question. Scroggs introduced you to this young man?

Answer. Yes, sir—that is, to young Mr. Dorsheimer.

Question. That was upon the morning of the day before the bids were opened.

Answer. Yes, sir.

Question. What did he say about that being the proper mode of influencing the matter so as to obtain a fair contract?

Answer. I think it was Smith who made the remark, "You see what kind of influences we are bringing to bear."

Question. Was that at the time of your introduction to the young Mr. Dorsheimer?

Answer. Yes, sir. I did not know what influence they might have.

Question. Was that remark of Smith made in the presence of this young man?

Answer. It was made as a side remark to me.

Question. You somewhat questioned their influence.

Answer. That was just it. I was bringing forward my letters of introduction and all my influence, and I wanted to know whether Smith and Scroggs could do anything for me; whether they were going to be thrown by anybody in the board, and whether I could get my own influences to bear. The result was that I did not depend upon them; and if I had I should not have got the contract.

Question. Who were present besides Smith, Scroggs, and yourself, when you had the interview with this young man?

Answer. We four were together only.

Question. The only information the gentlemen gave to you was as to the kind of material to be furnished, and you adopted the suggestion.

Answer. I found that their suggestion was the same as that thrown out by the members of the board themselves. It was known by all that the required goods were not in the market.

Question. You were aware that the father of this young man was a member of the board.

Answer. Yes, sir.

Question. What arrangement did he enter into as to seeing some member of the board, or anything of that kind?

Answer. I do not know anything about it.

Question. What did Scroggs tell you about an arrangement with this young man?

Answer. Nothing. I took all on trust.

Question. Did Smith tell you anything of the nature of the arrangement?

Answer. Not a word.

Question. When Scroggs insisted that you were liable to him, you insisted that you were liable to this young man.

Answer. I was afraid so. I do not think that this Scroggs party had the least influence.

Question. You obtained the contract?

Answer. No, sir; not that contract, for the contract I took was for regular army goods. We had to get the army goods, and did get them.

Question. Did you have any interview with the governor himself.

Answer. I did not see him. He was engaged in his own room. I had a letter of introduction to him from Mr. Dodge, who stands very high, and is a very influential man. He had been a friend of my father. Mr. Kelly also had been a friend of my father for thirty years. I had also a letter from Raymond, of the New York Times, another customer of mine, to the lieutenant governor. All those gentlemen took hold and acted as my friends, and neither one of those parties ever intimated that I was under obligation to them.

Question. You state that neither since that time nor before have you incurred any liability, legal or moral, with any officer of the State government, directly or indirectly, for a division of the profits of this contract, or for any remuneration whatever.

Answer. I would state that, because I do not acknowledge even the obligation claimed by these parties.

Question. Is any claim made except by Scroggs & Smith?

Answer. They alone assert a claim against me.

Question. And they say they are responsible to State officers.

Answer. They have not said so.

Question. That they are responsible to other parties?

Answer. I have not said that.

Question. Do they profess to be responsible to somebody?

Answer. If you make a call for the correspondence you will receive it, and that contains all the information I have upon that point. I do not know what Scroggs or Smith's relations were with young Dorshimer, or with his father, if any.

Question. What were your profits upon that contract?

Answer. I suppose between five and six thousand dollars on a contract of \$45,000.

Question. Did you, before the contract was awarded, and while you were in Albany, have any conversation with any officer of the State government?

Answer. Yes, sir; with different officers.

Question. In your conversations with them did any of them refer to Scroggs?

Answer. Not one of them.

Question. Did any of them intimate that they would like to have any connexion with the contract?

Answer. No, sir; on the contrary, every one of them to whom I spoke, and to whom I carried a letter of introduction, repudiated all connexion with the contract. In one instance I went so far, after it was all over, as to offer to make a present of a suit of clothes to one of them. He told me, as he refused, that he had done what he had done as a favor to other people, that whatever was done for me was done for friendship's sake. Whatever influence was brought to bear in my favor was brought to bear through the uprightness of the names I took to Albany with me.

Examination by the Chairman.

Question. What did he mean by saying that what he did was done as a favor to others?

Answer. I took with me letters of introduction from Mr. Dodge, Mr. Kelly, Mr. Stewart, and a few other men of that character, to members of the board at Albany. Those letters of introduction being from men of high position, character, and influence, gave me character and standing with the board. When, afterwards, I asked one of the officers of the board if he would not let me make him a present of a suit of clothes for what he had done for me, he said that he did not know me in the matter; that he did what he had done as a matter of friendship to those who recommended me.

Question. Were the offers which were made by these competitors all offers of nearly the same character?

Answer. Pretty nearly. Mine was lower than any other bid that went in, but it was based upon a substitution of goods.

Question. But the substitution was not made?

Answer. It was not. They gave me one-sixth of the contract as finally arranged. They raised my bid a little, and lowered that of somebody else. They made a proposition to divide the contract among the six, at a certain price, they fixing the price from the bids, and having the inspection of the articles. The goods we furnished were above the army standard, and we had a very severe inspection to pass.

Question. Was there any complaint of the goods afterwards?

Answer. Not of any of the goods furnished under that contract.

Question. Were the profits realized by each one of the parties about the same?

Answer. I suppose so—about \$5,000 each.

Examination by Mr. Steele.

Question. You stated that the claim made upon you by some gentlemen since this contract was entered into for pay, or for some remuneration, was based upon an implied agreement. Why did they claim that there was an implied agreement?

Answer. The matter was started upon their side, they insisting that there was to be a division of the profits if we obtained the contract.

Question. What proportion of profits do they insist upon?

Answer. One-half. I do not recognize the claim, but they still insist that they did make an agreement with me by which they were to get one half of the profits for their influence in getting the contract for me.

Question. What do you know about the action of the other five parties in this respect?

Answer. Nothing.

Question. I desire to know whether there was any conversation between you and Scroggs about that matter?

Answer. There was. Some three weeks before the contract was given out, it was agreed that in case Smith should get the whole contract for me they were to have one-half the profits.

Question. Do they make the same claim against the other contractors?

Answer. I do not know.

Question. You insisted that young Dorsheimer was interested in the matter, and that you would be responsible to him. Did you mention any other person to whom you would be responsible?

Answer. No, sir. I wrote to Scroggs that I could not settle with him at all; that I wanted to know the basis upon which his claim was made, because if he could come in and lay a claim, Smith and Dorsheimer, respectively, would have the same right to prefer a claim.

Question. In reply to that, Scroggs stated that you were not liable to those parties at all, but that all liability to other parties rested on him?

Answer. Yes, sir.

Question. What bargain did you make with Smith?

Answer. I made no bargain, except with Scroggs.

Question. When was young Dorsheimer first connected with this matter?

Answer. On the Sunday previous to the bids being opened.

Question. Did he intimate from whom this contract could be obtained?

Answer. There was a general impression among the trade that Dorsheimer, of Buffalo, and Myers, of Oswego, controlled it, but it turned out that they did not control it.

Question. Has young Dorsheimer put in a claim against you?

Answer. No, sir. I have not seen him since the contract was given out.

Question. Did he interest himself in your behalf, as well as Smith?

Answer. I do not know, other than that they were all there acting together, apparently.

Question. Was this contract awarded to the lowest bidders?

Answer. It was fairly awarded, and awarded to the lowest responsible bidders.

Question. Then there were no bids lower than those of the persons to whom the contract was finally awarded.

Answer. Yes, sir. There were some bids offered for sixteen dollars and some cents, which bids could not be carried out.

Question. Was any security given?

Answer. I gave security, but there was no security attached to the bids. I consider that the board gave out the contract at a low figure at that time. They made it at a figure rather lower than the mean between the extreme low bids and the extreme high bids.

Question. What parties in this city, or elsewhere, bid lower than you did?

Answer. I cannot say, because I did not hear all the bids read.

Question. Name those you recollect.

Answer. I do not recollect who made a bid lower than what I did, though I know there were such parties.

Question. You got the contract at a higher figure than your bid.

Answer. Slightly, and lower than the bids of others.

Examination by Mr. Holman.

Question. What was your bid?

Answer. I think I bid fifteen dollars and seventy-five cents a suit, basing it upon the use of cadet mixture, instead of dark blue.

Question. Did you not also make a bid for the dark blue?

Answer. I do not know as I did. I made a bid altogether for cadet cloth, and for as much dark blue as could be furnished. These were the terms of my bid, and they were not in conformity with the terms of the advertisement. Nor were those of the parties that under bid me.

Question. Then there were no bids in conformity to the advertisement.

Answer. One or two only.

Question. And those parties did not obtain the contract.

Answer. No, sir.

Question. At what price did they bid?

Answer. I think nineteen dollars and twenty-five cents a suit.

Question. On what terms was the contract given to you?

Answer. At eighteen dollars and fifty cents per suit.

Question. Were you compelled to accept terms exactly corresponding to the advertisement?

Answer. Exactly.

Question. And the same kind of cloth as required by the advertisement.

Answer. Except that the pantaloons were sky-blue kersey instead of dark.

Question. Is that worth as much as the dark?

Answer. It is worth from five to ten cents less; the dark blue, in

sufficient quantity, could not be had; it was the same goods as are now being used by the national government; they are making pantaloons of sky-blue, because dark blue cannot be had in sufficient quantities.

Question. What would be the difference in the cost of pantaloons made of the two articles?

Answer. About 22 cents.

Question. Were the bids, which were ultimately accepted, modified after they were opened?

Answer. In answer to that I can only say that, after the board had examined all the bids, they passed a resolution giving out the contract to those houses I have mentioned, or to such of them as would elect to take it, setting forth the price and the quality of the goods to be used.

Question. Can you recollect any party, bidding as low or lower than you did, who did not get any portion of the work?

Answer. I cannot.

Question. Have you not heard around here of persons who bid for that work, but did not receive it?

Answer. Yes, sir; but they did not bid lower, but higher.

Question. Then, you cannot recollect of anybody who bid lower than you did?

Answer. I cannot; though I heard that there was a party residing in the centre of the State who bid lower than anybody else.

Question. (By Mr. Van Wyck.) Where did he reside?

Answer. I think I heard that he resided in Auburn; and, furthermore, that everybody whistled at the bid, as it was said among the bidders; these goods were all high in price at that time.

Question. In applying for this contract, you understood evidently from the arrangement you made to get a part or the whole of it, that it was to be had through some other influence than the mere character of the bid; that is, you did not understand that it was going to be awarded to the man who made the best bid for the State?

Answer. I cannot say that. I understood it was to be a fair thing, and I believed it from the moment I put my foot in Albany and saw the character and actions of the men engaged in it. For that reason I ignored the services of Scroggs and his friends, and went upon the merits of my own bid. I conversed with them, but at the same time I did not think they would have any influence, and they did not have any influence in awarding the contract. For three or four weeks previous to that it was the general talk that everybody who wanted the contract must bring influences to bear upon Myers; but when I got to Albany I found that Myers's influence was very little indeed, and the members of the board with whom I talked expressly declared that no influence should control the contract, except such as were perfectly right and proper.

Question. When you saw young Dorsheimer for the first time, did you have any conversation with him in relation to this contract?

Answer. I did; but it was confined to the fact that the goods required could not be obtained.

Question. I believe you have stated that Scroggs and young Dorsheimer came on from Buffalo together?

Answer. Yes, sir.

Question. What was the contract price for overcoats?

Answer. Nine dollars.

Question. Did you furnish the uniform coat?

Answer. We furnished a more expensive coat than the United States coat.

Question. What did you get for the jacket and pantaloons?

Answer. Five dollars and fifty cents for the jacket and four dollars for the pantaloons; other parties are to-day making up the same goods for the State at a little less sum, but they are not trimmed so expensively, nor are the pantaloons so fully lined; we had to line them in the seat and put stays all through them.

Question. What is the price paid at present?

Answer. Sixteen dollars and fifty cents for the same work.

Question. What other contracts have you had?

Answer. I filled one order from Colonel Tompkins, assistant quartermaster here, for Kilpatrick's men, one from Colonel Vinton for McReynolds, for Van Allen's, and for Colonel Davis's regiments.

Question. When was your contract with Tompkins entered into?

Answer. Some time in July.

Question. Had he issued advertisements for the same through the public prints?

Answer. No, sir; it amounted to only \$1,200, and was done upon requisition.

Question. What was the article?

Answer. It was a peculiar style of uniform for a company, which was being formed here, and was not entirely the uniform of the United States.

Question. What was the character of the change?

Answer. The change was mostly confined to the fancy work put upon them; it was only for one company, and we measured every man.

Question. About what time was that?

Answer. Soon after the 4th of July.

Question. He employed you to make the uniforms for an entire company?

Answer. Yes, sir; for one hundred men.

Question. What was he to pay you?

Answer. Twelve dollars for jacket and pantaloons.

Question. For what company was that?

Answer. Kilpatrick's.

Question. How much did this price exceed the ordinary charge for suits of the same kind when made in the ordinary way?

Answer. Perhaps a dollar and a half a suit, and possibly two dollars a suit.

Question. These suits were made of army cloth?

Answer. Yes, sir; for a cavalry company.

Question. What would have been the ordinary price for the breeches about that time?

Answer. I do not remember. I guess about \$4 87.

Question. What would the jackets cost?

Answer. \$5 50, I think; making \$10 37 for both.

Question. And you made them for \$12 a suit?

Answer. Yes, sir.

Question. And the other price you have mentioned would have been about the ordinary price for the government work, as made by the government itself?

Answer. Yes, sir.

Question. And that price would have furnished them here?

Answer. Not quite; because we cannot work as cheaply as the government itself can.

Question. You say \$2 was the difference, growing out of the fact that you measured each man, and made the clothing a little better?

Answer. Yes, sir.

Question. What reason did Tompkins assign for incurring this additional expense?

Answer. I do not know. I never saw him; Col. Kilpatrick brought me the order.

Question. What reason did Kilpatrick assign?

Answer. None, other than he wanted the clothing made up unusually nice.

Question. Upon what service was this company to enter?

Answer. Cavalry service; and I believe each one of the colonels have exercised the right to direct as to the particular uniform of his regiment.

Question. Upon that 100 suits there was an additional expense incurred, from the manner in which you made it, of from \$150 to \$200?

Answer. About that.

Question. And no particular reason was given for it?

Answer. No, sir.

Question. But for the special order you would have made them in the ordinary way, and at the usual price?

Answer. No, sir; we could not make them as low as the government could.

Question. What would you have made them for?

Answer. We should have charged \$1 50 a suit for the additional trouble of measuring each man and giving him a particular fit.

Question. That is, if you had made up the goods in the way in which you filled the State contract, you would have charged \$1 50 less than you did?

Answer. Yes, sir.

Question. What other contract have you, or have you had for the government?

Answer. I have a heavy contract on hand now for Colonel Vinton.

Question. How many lots of clothing are there to be furnished?

Answer. I have furnished the McReynold's cavalry, and they have left.

Question. When did you furnish them?

Answer. Three or four weeks ago.

Question. At what price?

Answer. \$9 50 per suit.

Question. Was this contract made with or without advertisement?

Answer. Without.

Question. Was the contract made directly with Colonel Vinton?

Answer. Yes, sir.

Question. What position did Colonel Vinton occupy?

Answer. That of assistant quartermaster general of the United States.

Question. Was the contract made here?

Answer. Yes, sir.

Question. There was no competition for this contract?

Answer. Yes, there was.

Question. In what way was the competition created?

Answer. By bringing the dealers into his office, laying the clothing before them, and then giving the contract to which ever firm would do it the cheapest. If he wants a lot of clothing, a suit of clothes of the required kind is laid upon his table, and bids are received from dealers who are disposed to make them.

Question. But no notice is given to the public?

Answer. No notice is given through the press.

Question. Not even through the New York city papers?

Answer. I have never seen any notice published.

Question. This first contract was for \$9 50?

Answer. Something like \$9 50; consisting of jacket and pants.

Question. Was that as low as the work could be done in the city?

Answer. Quite as low.

Question. What was the entire profit upon the contract for clothing that regiment?

Answer. Not 50 cents a suit.

Question. How much less?

Answer. I made a calculation, and I think it did not exceed 17 cents upon a suit.

Question. Was there anything peculiar in the manner in which that clothing was made?

Answer. No, sir.

Question. What was the next contract you filled?

Answer. I made the clothing for the Van Allen cavalry for about the same price, and about the same quality. I think the price was \$9 30. There are different kinds of coats. Buglers' coats cost a little more and privates' coats a little less.

Question. How many yards of cloth, on an average, does it require to make a suit?

Answer. A very large proportion of the pantaloons are made double, and they take two and a half yards; and the jackets two yards and over a quarter.

Question. What was the cloth you made them of worth in this market?

Answer. I contracted with Colonel Vinton the other day for clothing, based upon \$1 07 as the value of the cloth.

Question. But I refer to the time when this cavalry regiment was equipped?

Answer. I have come short of cloth, and have paid to-day \$1 20 for

the same cloth from which I contracted to make the clothing; and I lose money on the contract I am now closing with him.

Question. What was the cost of making the clothing?

Answer. The jackets cost, some \$1 25 and some \$1 each; the cost depending somewhat upon the supply of hands.

Question. What would be a fair market price for cutting and making up these goods into coats and pantaloons?

Answer. The cloth for jackets and pantaloons were different kinds. I cannot answer the question directly, but I can have my clerk make out a statement and send to you. I am commencing to-day a contract for Colonel Vinton amounting to \$120,000

Question. Was that entered into without advertisement?

Answer. Yes, sir; it is for work immediately wanted.

Question. Is it for full suits?

Answer. No, sir; for pantaloons only.

Question. Of what kind of cloth?

Answer. Regulation pants, of dark cloth.

Question. Do you furnish everything, and at what price?

Answer. Yes, sir; for \$3 10 a pair.

Question. How many pair?

Answer. 45,000.

Question. When did you make that contract?

Answer. About two weeks ago.

Question. Have you commenced the work yet?

Answer. Yes, sir; I commenced it to-day.

Question. You say there was no advertisement?

Answer. None.

Question. By the terms of the contract, when were you to commence it?

Answer. I was to make the first delivery on the 15th of this month.

Question. And in what lots do you deliver?

Answer. I have then to deliver 3,000 pairs, and make 3,000 pairs every week after that until the contract is completed.

Question. What influences, if any, were there that induced Colonel Vinton to give out a contract to you of over \$100,000 worth of work, without advertisement?

Answer. None that I know of, other than that the work I have done has passed inspection, and that the inspector says the work we have done is better than that done by anybody else.

Question. Is there any understanding, express or implied, with Colonel Vinton or with his friends, that he is to derive any benefit from this contract?

Answer. None whatever. And more than that, I wanted Colonel Vinton to buy a suit of clothes, but he would not come to my store for them because I was doing work for him.

Question. Does there exist any understanding of that kind with any one?

Answer. Nothing of the kind with any person on the face of the globe.

Question. Did you ever speak with any one having influence with Colonel Vinton, to assist you in getting this contract?

Answer. Never.

Question. And nobody has a share or interest in the profits?

Answer. No one, except those connected with my own house, and the man who backs me with money.

Question. Has he any influence with the colonel?

Answer. No, sir; he lives in the State of Connecticut, and does not know the colonel.

Question. How do you procure the cloth for these pants?

Answer. I have made an arrangement with a mill to supply me the goods.

Question. At what price?

Answer. The goods are worth \$1 10 per yard.

Question. How much cloth is required for a man's pants?

Answer. Two and a half yards, but we make it an inch or two under that.

Question. What would be the cost of cutting, making, and trimming?

Answer. It would not vary much from fifty-five or sixty cents.

Question. What do you know about the contract made between Brooks Brothers, of this city, and the authorities of the State of New York, for furnishing clothing for the army, and of the character of the profits resulting from that contract, and of the advertisement for proposals for furnishing the same?

Answer. I know that advertisement for proposals were made on Monday, and that the bids were to be opened in Albany on Tuesday following. It was stated that that contract was advertised for in the evening papers of the city of New York, but I have never been able to find it. It gave nobody a chance to go up there and see about it, except those who might be in the secret. I had been in Albany on Friday, and knowing that the government would require clothing, I wrote a letter to the department offering to make their overcoats for \$9 each, and the other goods at whatever would be a fair marketable price, telling them how many I could make. When they gave out the contract they agreed to pay \$9 each for the overcoats, and \$10 50 for the jacket and pants. This was the last of April or the first of May.

Question. (By Mr. Steele.) What could you have made the suits for at that?

Answer. I could not have made them at all of the material proposed. The goods were not to be had in the State. The clothing was to be made of army cloth.

Question. Did Brooks Brothers know that they could not furnish army cloth for so much clothing?

Answer. I do not know; but I presume they must have known the fact.

Question. Was the contract modified so far as the materials used was concerned?

Answer. I only know from what I saw in the papers. I understood that it was.

Question. In what respect was it modified?

Answer. I only know that the materials used were submitted to Mr. Dorsheimer and were accepted by him, and that those goods were of a quality inferior to army cloth.

Question. Can you state what the profits were upon that contract?

Answer. I do not know, for I do not know what amount of material was substituted for army cloth, nor do I know what was the value of all the substituted material. I know that the goods substituted were not suitable for that purpose, and if they used anything like what I understood they did of that kind of goods the profits were enormous.

Question. What would you say they were, based upon that idea?

Answer. I would like to give them \$50,000 for their profits. I do not suppose they could have cleared less than that amount.

A. ARNOUX.

The following are copies of the two letters referred to in the foregoing testimony :

BUFFALO, *August 13, 1861.*

GENTLEMEN: Some considerable time since I wrote to Captain Smith to call upon you for a statement of the amount of uniform clothes made by you for the State, and the amount of your profits on them, with reference to a settlement under our agreement at Albany.

I have not received the statement from the captain yet, and my absence from home has prevented me from calling your attention to the matter sooner. As you have doubtless by this time closed up the business with the State, I hope you are prepared to make a settlement with me. To this end please send me a statement of amount of uniform clothing made by you for the State and of your profits thereon.

Please state also when it will be convenient for you to pay me my part of the profits.

Very respectfully, yours, &c.,

G. A. SCROGGS.

Messrs. A. & G. A. ARNOUX.

BUFFALO, *August 16, 1861.*

GENTS: The terms of the bargain (which I presume you well understand) were, that you were to pay me and Captain Smith *one-half* of the net profits in the clothing and other articles which you should furnish the State for the use of the volunteers.

So far as young Mr. Dorsheimer is concerned, you have nothing to do with him. He dealt with Smith and me. He has no claim against you.

It was agreed between Smith and me that I should settle with you and receive the one-half the profits, and that he and I would settle the matter between ourselves.

This is the way the matter stands, and I wrote him to get me a statement so that I could make the settlement. Since you have been

paying him money, as you say, I have only to reply that you have done that at your own risk, and I cannot allow it to interfere with my claims.

Why you should stand upon sending me a statement I cannot imagine. I am a party interested, and you cannot be prejudiced by giving the statement.

I am the only proper person to settle with. As to whose influence was used, and by whom the contract was procured, I do not think we need now discuss, for I believe that is very well understood. There certainly cannot be any misunderstanding about that.

I trust I have answered you fully, and that there will be no further unnecessary delay in closing this matter up.

Yours, &c.,

G. A. SCROGGS.

Messrs A. & G. A. ARNOUX.

NEW YORK, *September 2, 1861.*

JOHN E. HANFORD, being duly sworn, was examined as follows:

Examination by Mr. Dawes.

Question. State your residence and place of business.

Answer. I reside in the city of Brooklyn, and am engaged in the clothing business.

Question. Have you at any time had anything to do with the government in connexion with the contracts for the supply of army clothing?

Answer. I have on one occasion.

Question. State what that contract was.

Answer. I went to Philadelphia and made a contract with Colonel Thomas, quartermaster at Philadelphia, for 40,000 overcoats for the army, to be made of sky-blue indigo wool-dyed twilled kersey, weighing twenty-two ounces per yard, of fifty-four inches width; also for 50,000 uniform infantry coats, dark blue indigo wool-dyed twilled cloth, weighing twenty-one ounces per yard, of fifty-four inches width; also for 60,000 pairs of army pantaloons, dark blue navy wool-dyed twilled kersey, weighing twenty-two ounces to the yard, of fifty-four inches width; also for 80,000 sack coats, dark blue indigo wool-dyed flannel, weighing ten ounces to the yard, of fifty-four inches width; also for 100,000 pairs of drawers, canton flannel, weighing seven ounces to the yard, of twenty-seven inches width; also for 100,000 shirts of white cotton and wool flannel, weighing six ounces and a half to the yard, of thirty-one inches width.

Question. How much money is involved in that contract?

Answer. I do not know, but I think there is a million of dollars.

Question. When did you enter into that contract?

Answer. On the 12th day of July last.

Question. When was it to be completed?

Answer. By the 1st of October, though it is understood that we are to have a little longer time, if necessary.

Question. Was it understood that the goods of which you were to make this clothing were to come up to the army requirements?

Answer. Yes, sir; and the goods which we have already delivered are heavier than what was required.

Question. Were these goods army regulation uniforms?

Answer. Yes, sir; both as to kind and weight.

Question. Would you be willing to take another contract upon the same terms?

Answer. No, sir; not to-day.

Question. Have goods risen in the market?

Answer. Yes, sir.

Question. What percentage of increase in the price would you require?

Answer. If another contract could be made to run along four, five, or six months, I think it might be taken at nearly the same price, or at any rate for a slight increase. But if it were to be completed in thirty or sixty days, it could not be taken without a considerable increase. Cotton goods have advanced materially.

Question. How did you obtain this contract?

Answer. I went to see General Meigs, and was introduced to him, with a recommendation of some friends of mine, saying that whatever I should do might be relied on. I informed him what I wanted, and he referred the subject back to Colonel Thomas. I should have said that I carried with me, in part, specimens of what I could do in the form of garments already made. For instance, I took a uniform coat, though not of the army requirement. I also took a pair of pantaloons. After I had shown them to General Meigs he sent a letter to Colonel Thomas, saying that it was for the interest of the army to have a contract made with me, but left the matter entirely with him. I went to Colonel Thomas, and had an interview with him upon the subject. He asked me if I could make the quantity specified. I told him I thought I could. I returned to New York, obtained a refusal of the goods in the piece, made my samples, and returned to Philadelphia. They were inspected, accepted, and sealed, Colonel Thomas retaining one sample as a specimen to examine the garments by when delivered, and I retaining one as a guide to make up the garments by.

Question. How did you obtain the stock?

Answer. Directly from the manufacturers, through their commission merchants in this city; and in one instance I have the cloth directly from the manufacturer.

Question. Are these goods the style of clothing for which the government is contracting every day?

Answer. They are so far as they go. They make many other styles in addition.

Question. They are the army regulation clothing?

Answer. Yes, sir; they are infantry regulation uniforms.

Question. Are the prices paying prices?

Answer. They were at the time, and satisfactory to myself.

Question. And satisfactory to the manufacturer of the goods?

Answer. Yes, at the time.

Question. What was the contract price for the different garments?

Answer. For uniform coats.....	\$6 56
For pantaloons.....	2 82
For flannel sack-coats.....	2 10
For cotton and wool flannel shirts.....	90
For canton flannel draws.....	42

Question. Is the contract in the usual form?

Answer. I believe it is.

NEW YORK, *September 3, 1861.*

DANIEL S. HAMMOND, being duly sworn, was examined as follows:

Examination by Mr. Holman.

Question. State your residence and the nature of your business?

Answer. I reside in Brooklyn, and my business was making carpet-bags, when there was business.

Question. Do you know anything about the advertisement for bids by the State of New York, in June last, for certain army articles?

Answer. I knew there was such an advertisement in June last, but one for a much larger supply in April.

Question. State what was the character of the articles advertised to be bid for in April.

Answer. I do not remember every article, but there were knapsacks, haversacks, belts, and military articles generally.

Question. To whom was the contract under that advertisement awarded?

Answer. To Thomas C. Smith.

Question. Were you a competitor with him for the contract for any of the articles enumerated in the advertisement?

Answer. Yes, sir ; for one single article.

Question. What was that?

Answer. Haversacks.

Question. At what price did you propose to furnish them, and what number of them?

Answer. I proposed to furnish the whole number advertised for, 28,000, at 32 cents each.

Question. At what price were they let to Smith?

Answer. Some 75 cents each, I believe.

Question. Did your bid propose to furnish them according to the terms of the advertisement?

Answer. I should explain that I was entirely ignorant of what army articles were. I visited State street, and saw there an old haversack, but it was not exactly such an article as the State adopted. I proposed to make just what was advertised for, though I found out after-

wards that I would have lost money if they had accepted my bid. Though the State had no sample to show, still I proposed to fulfil their advertisement. The information I had came from Colonel Tompkins, whom I called upon at No. 6 State street, upon the Battery. I saw there a sample of haversacks, such as were used in the Mexican war, and which was represented to me to be the army pattern.

Question. Did you withdraw your bid before the final letting?

Answer. No, sir. I did not hand in my bid more than half an hour before the letting was decided.

Question. Were you prepared to furnish the necessary security according to the terms of the advertisement?

Answer. Yes, sir.

Question. Were any objections urged to the terms of your proposal, or to the security you proposed to give?

Answer. None whatever.

Question. What is the reason, if you know, why the contract for making that particular article was not awarded to you?

Answer. It was said at the time that there was only one entire bid, and that it was found upon averaging the bids that Smith's was the cheapest.

Question. Did you propose to furnish an article of your own manufacture?

Answer. Yes, sir.

Question. You are engaged in that kind of business?

Answer. Yes, sir.

Question. Were bids submitted for each one of the other articles enumerated in the advertisement separately?

Answer. I should think so.

Question. Were those bids generally submitted by persons engaged in the business which would properly furnish those kinds of articles for which they bid?

Answer. In many instances I did not know the parties who submitted the bids, and in some cases I did.

Question. Do you know of any bids being submitted by houses which were engaged in the manufacture of any of the articles?

Answer. Yes, sir; certain portions of the articles.

Question. What influences, if any, came to your knowledge at the time or subsequently, through any channel whatever, induced the board to award the contract entire to Smith?

Answer. I know of none whatever. I was present from the commencement of the opening of the bids until the contract was awarded. It all occupied only an hour and a half. The only answer I heard to any inquiry was that of a young man, who said that Smith's was the lowest complete bid.

Question. By the terms of the advertisement were proposals invited for each one of the articles separately?

Answer. My memory does not serve me about that. They were separately specified, and if the advertisement had stated that the proposals must be for the articles in gross I should not have submitted my bid.

Question. What influences have you learned, since the letting, were brought to bear upon the treasurer of the State of New York, or upon

any member of the board, to induce the awarding of this contract entire to Smith?

Answer. I have not heard of any.

Question. Are you acquainted with Godwin?

Answer. I know him by sight.

Question. You say that you have no information by letter, by conversation, or in any other way, of any influence, personal or political, outside of the bid itself, which induced the letting of that contract entire to Smith.

Answer. I have none of my own knowledge. I may have talked about it with several acquaintances, men in my line of business, but I do not remember that I ever heard any one of them say or even hint that any fraudulent influences were brought to bear.

Question. Was any political influence brought to bear upon the contract?

Answer. I do not know but that I have heard, in that connexion, that certain men could control a good many votes at the polls.

Question. What did you hear said, and by whom, in connexion with this contract, that certain parties could control a good many votes at the polls?

Answer. I do not know that I heard that in relation to this particular contract, but I have heard it during the summer. We have been at this kind of work ever since April. That is all the business we have done since. Our business went up in a balloon about that time.

Question. What other contracts with the government have you been engaged upon?

Answer. A large number.

Question. Have you had any direct contract with the government?

Answer. No, sir.

Question. Had you any indirect contract?

Answer. Yes, sir.

Question. With whom?

Answer. With the parties who contracted with the government directly or indirectly.

Question. What articles did you furnish?

Answer. Knapsacks.

Question. At what price did you furnish them?

Answer. I did not furnish them. I did the work upon them—the party with whom I contracted furnishing the materials and bringing them to me. I put the materials together and returned the knapsack entire.

Question. At what price could they have been furnished, in the market, just as they left your hands?

Answer. The labor on the first 1,000 I made cost me twice as much as the same labor would to-day, for the reason that I now know how to combine every advantage in their manufacture. At that time, being ignorant of the whole matter, I made frequent mistakes, which caused a loss to me.

Question. What could they have been purchased for at the time you made them?

Answer. The labor on each was worth 75 cents.

Question. And what were the materials worth?

Answer. I cannot say, as the other party furnished the materials.

Question. In the ordinary course of business, at what price could they have been fairly furnished as between citizen and citizen for cash?

Answer. I should suppose for \$2 50. There is always a difference between cash value and time value with manufacturers.

Question. What price did Smith receive from the State for knapsacks?

Answer. I do not know what he did receive.

Question. What were the terms of his agreement in that respect?

Answer. I did not see his bid, but I understand he was to receive \$3 50 each.

Question. Did you furnish any other of the articles which went into the fulfilment of this contract of Smith's?

Answer. I think not.

Question. Do you know what prices were paid by him for the manufacture of any of the other articles embraced in his contract?

Answer. I do not.

Question. And you have not learned from him, or from any other person, what prices he paid to other parties?

Answer. I know nothing positively.

Question. Since that time, state what sub-contracts you have had for furnishing military materials for the government of the United States?

Answer. I do not know, in all instances where I manufactured articles, whether they went to the general or the State government. Since that time I have made knapsacks which were contracted to be made by Stevens, in Pearl street, for Assistant Quartermaster Tompkins. There were 2,300 of them.

Question. At what price were they furnished to Colonel Tompkins?

Answer. I think at less than \$2 50 each.

Question. How much less?

Answer. I do not know exactly.

Question. Have you not heard?

Answer. No, sir; I had a *pro rata* interest in making those.

Question. What do you mean by that?

Answer. I mean that the labor and articles which I furnished towards making them up were counted as so much against certain materials which the other party furnished, and for that I was to have a certain proportion of the whole receipts. I am making them under the same contract to-day, and I get a certain share, whether they get two dollars or three dollars apiece.

Question. Stevens is the contractor with the government?

Answer. Yes, sir. He is a leather man in Pearl street, and has probably done more than half of all the leather work which has been done for the State and the general governments. He is doing a large business in that way; whereas a year ago he employed only 25 or 30 hands, he now employs steadily 350 men.

Question. And those sub-contractors whom he interests in the contract perform this work?

Answer. Yes, sir.

Question. He would sub-contract his contract, and pay to you, for instance, and to other persons, a certain proportion of the proceeds?

Answer. He only works in leather work. I only work in enamelled cloth and carpet goods, and of course the two come completely together in making knapsacks and haversacks, I doing all the enamelled work and he doing all the leather work. I made, through him, for Mr. Smith.

Question. (By Mr. Dawes.) Then Stevens took the contract to make the knapsacks and haversacks for Smith.

Answer. Yes, sir.

Question. What is the price the government is now paying to Stevens for knapsacks?

Answer. I guess it is \$2 25.

Question. Is that as low as the article can be legitimately furnished?

Answer. Yes, sir; and the present feeling is towards a rise, on account of the advance in the price of the raw materials.

Question. Have you had any connexion with the original contractor for the manufacture of military articles?

Answer. No, sir. In some instances brokers have seemed to have contracts directly from the government.

Question. Mention their names.

Answer. One is a Mr. Street, in Brooklyn. He has a contract for haversacks from Major Vinton—some 100,000.

Question. What has his business been heretofore?

Answer. He was engaged in the fancy goods business.

Question. Is he a politician?

Answer. I do not know.

Examination by Mr. Steele.

Question. Did you supply any of the haversacks which went to make up Smith's contract?

Answer. No, sir.

Question. What would you have furnished them for at that time, taking into consideration the newness of the business, &c.?

Answer. I would like to have had the contract at 55 cents each.

Question. Your bid was 32 cents.

Answer. Yes, sir; but that was based upon a sample that Colonel Tompkins showed me.

Question. Was there that difference in the value?

Answer. I think there was.

Question. You think those haversacks could not have been furnished for 32 cents?

Answer. They could not.

Question. Are these haversacks, which are being made in Brooklyn, made upon a contract based upon advertisement and proposals?

Answer. Yes, sir.

NEW YORK, *September 6, 1861.*

FORDYCE L. LAFLIN, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside at Saugerties, in this State. I am a manufacturer of gunpowder.

Question. Have you made any contracts with the government for the furnishing of gunpowder?

Answer. No, sir.

Question. What is the name of your firm?

Answer. Laflin, Smith & Boyes.

Question. Have you made any contract with any person for the government?

Answer. My partner made a contract with the governor of the State of Illinois for powder, which contract we are now filling at our works.

Question. You have no contract with the United States?

Answer. No, sir. We had authority to go on and make a thousand barrels of powder for the government of the United States, but not from the government directly.

Question. From whom did the authority come?

Answer. Thurlow Weed.

Question. Did he make a contract with you?

Answer. A sort of verbal contract. So far as Weed and myself are concerned, we had but little conversation with each other. I went on to Washington in May or June, I cannot say certainly which. It was at the time Willard's Hotel was on fire. I there saw Mr. Weed. A Mr. Smith, of Kingston, was with me. We went on for the purpose of getting a contract from the government. Mr. Smith was acquainted with Colonel Ripley, now General Ripley, of the ordnance department, and we called up to see him. Mr. Smith, being acquainted with him, was spokesman. Mr. Smith is a brother of one of my partners. General Ripley said the government had purchased all the powder they wanted for the present. We had several conversations with him, and he gave us to understand that if the government wanted any more he would give us an opportunity to make a portion of it. Mr. Smith told me that he had promised to give Weed five per cent. if he would be the means of getting us a contract—that is, 1,000 barrels for each of us. I objected to paying five per cent. I refused at the time, but afterwards I concluded that as our mills would have to stop, perhaps it would be better to go on and make the powder, provided my partners would consent to do it. When we returned to New York I met Boyes, my partner, at the Astor House. Weed was there also. I told my partner that Weed had told Smith to go on and make the powder and that the government would take it. He said he would not go to work and lay out \$18,000 in property which was worth

nothing, except for government uses, unless he had something more substantial to rest upon. I saw Weed and introduced him to my partner. Weed told us to go on and make the powder, and the government would take it, but nothing was said by us or by Boyes in my presence with Weed about the five per cent. We did not make the powder.

Question. Have you any interest in making it now?

Answer. No, sir.

Question. The arrangement was not carried out?

Answer. No, sir; he told us to make the powder, and the government would take it; but we did not do it.

Question. Did Weed at that time make any intimation that he must have a commission?

Answer. No, sir; not a word.

Question. What authority had Weed to make this promise to you?

Answer. Mr. Weed gave Mr. Smith a letter to General Ripley, telling him that the department had better make a contract with us for powder, if they wanted any. Ripley has the letter, and Smith has a copy of it. I cannot swear to the exact purport of the letter, though I think it was that the government would do well to give us a contract. I will not swear positively that Cameron was mentioned in the letter. Ripley said he would place our names on the books, and when the government was in want of more powder they would give us a call.

Question. Was that all that was said in that interview with Weed?

Answer. Yes, sir; everything of importance. That was the substance of the conversation.

Question. Where does this Mr. Smith live?

Answer. At Kingston, in this State.

Question. Did you at any time agree to or assent to the proposition that five per cent. might be given?

Answer. Yes, sir.

Question. When your firm understood that you could have a contract by paying five per cent., did they assent to it?

Answer. They did not; I said I would agree to it if my partners would.

Question. Did you not consider that you had authority to make a bargain for your house?

Answer. Yes, sir.

Question. Did you not then consider that you had agreed to the proposition?

Answer. If my partners had not objected to it when I came home I would have made the powder.

Question. You say you could not get a contract at Washington, but that after you returned to New York Weed told you to go on and make the powder. Did that have any connexion with your determination to give the five per cent.?

Answer. I made up my own mind to make the powder before I saw my partner; and to satisfy my firm that we should probably get our pay for the powder, I told them I knew that Weed was responsible.

Question. Did your partners object?

Answer. Yes, sir.

Question. Did they object to making any powder?

Answer. They did for that purpose.

Question. Did Mr. Smith make his?

Answer. He did.

Question. Did he sell it to the government?

Answer. I do not think the government has taken it.

Question. I understand you to say that, so far as you were concerned, you did not object to paying this matter of a commission to Mr. Weed.

Answer. I did not.

Question. Did you consider it a fair transaction to pay a percentage?

Answer. I did not; but we had many men in our employ, and we did not want to shut down our works.

Question. What was the government paying for powder?

Answer. The government contracts for powder at 18 cents per pound, and that was two cents less per pound than we had been selling powder for for five years for commercial purposes. They had been buying it at that price before the war commenced, and they are still buying it for the same. We, of course, offered it at 18 cents; but they said they did not want any more.

Question. Do you know with whom the government contracted for powder, and at what price?

Answer. As I understand, they have contracts with the Hazard Powder Company, with Dupont, of Wilmington, and with the Schaghticoke Company. I saw Mr. Greely, of that firm, in our place one day last week, and he told me that they had made 4,000 barrels, of 100 pounds each, worth \$72,000.

Question. Do you know anything in relation to contracts made with other powder men?

Answer. Nothing, except by report. I suppose that these three firms got such large contracts in the first place from the fact that they were old government contractors; their names being already upon the books, and their powder giving satisfaction, the contracts were given out to them.

Question. Has any person ever made any proposition to you directly for paying commissions?

Answer. I saw in Washington Mr. Dyer, of Chicago. He wanted to know what I was in Washington for; I told him I was there to protect the city. He said he knew better than that—that I was there to obtain a government contract. I told him the government would not give a contract to a democrat. He said that would not make any difference; he said further that if I would give him five per cent. he would sell all the powder I could make. I never saw him afterwards to say anything more about it.

Question. Where is Dyer now?

Answer. I understand that he belongs in Chicago, but that he has an interest in that cattle contract at eight cents a pound.

Question. What official position did he hold in Chicago?

Answer. He is a democrat, and I think he was once a mayor of the city.

Question. What did he say about the difference between democrats and republicans in the way of contracts?

Answer. He said that the government made no difference between them, but I took all his conversation in the way of a joke.

Question. Did you seek him out again?

Answer. No, sir.

Question. Would you have given him the five per cent?

Answer. No, sir; nor any other man.

NEW YORK, *September 27*, 1861.

JOHN SMITH, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in Kingston, New York, and I am a manufacturer of gunpowder.

Question. Have you had any contract with the government for the manufacture of gunpowder?

Answer. I have one now.

Question. When did you enter into that contract?

Answer. I think it was on the seventh of August.

Question. Who is your partner in business?

Answer. A Mr. Rand.

Question. Do you know anything in reference to a contract, or a proposed contract, with Laflin & Co. for furnishing powder to the government?

Answer. I do not know that I do. I know they endeavored to get a contract.

Question. What do you know about the means they took to get a contract?

Answer. Laflin went to Washington with me in the month of May, and we attempted to get a contract through Mr. Cameron, but we did not succeed.

Question. Did you have any assistance in your endeavors?

Answer. No, sir; but we expected to have had.

Question. From whom?

Answer. Thurlow Weed; and I believe Simeon Draper offered his services.

Question. Upon what terms were you to receive such assistance?

Answer. So far as Mr. Draper was concerned, his assistance was a mere matter of friendship; and in reference to Mr. Weed, I do not know that there were any terms.

Question. Did Mr. Weed propose to receive, or did you propose to give him, any percentage?

Answer. I think I did.

Question. Did he propose to receive it?

Answer. I do not think he did. My impression now is that no percentage was ever named so far as Weed was concerned. I think Davidson, of Albany, at one time asked me what I could afford to pay, and I think I told him. But I had nothing more to do with him.

Question. Did Mr. Weed advise you to go on and try to get a contract from General Ripley?

Answer. Yes, sir.

Question. Did he give you any letter or letters?

Answer. He gave me a letter to General Ripley, which is now on file in the department at Washington.

Question. Do I understand you to say that there was no proposal upon the part of Mr. Weed to accept a commission from you.

Answer. I think there was none.

Question. Nor for any person for him?

Answer. I do not know, but Davidson's proposition was for Weed, and I do not know that it was.

Question. Did Weed intimate to you that he desired a commission?

Answer. I do not think he did; I do not know but he once asked me how much I could afford to pay.

Question. If he asked you that question, did you infer that he asked it in relation to himself?

Answer. My intention certainly was to pay him a commission if he had assisted me in getting a contract; but he did not assist me, and instead of meeting me as he agreed, I went to General Ripley's office alone, and he gave me an order.

Examination by Mr. Dawes.

Question. If Weed gave you a letter to the department and that letter went upon the files, and then you went to the department and got a contract, why do you say that Weed did not help you?

Answer. I do not think that Ripley paid any attention to Weed's letter; I think Ripley looked upon the matter in this light, that he did not wish any interference.

Question. What was the conversation between you and Davidson touching this matter?

Answer. I do not know that I can give the exact language of the conversation; I met him at the Astor House and inquired of him for Weed, and during the conversation he asked me what I wanted of him.

Question. What did you tell him?

Answer. I told him I wanted a contract; that I wanted to sell the government some powder; he then asked me what I could afford to pay; I told him I could afford to pay five per cent.

Question. What reply did he make to that?

Answer. I do not think he made any reply; I suppose he thought I wished to secure Mr. Weed's influence.

Question. What was the conversation you had with Mr. Weed?

Answer. I do not recollect; I met him once or twice, but only for a moment, at the Astor House, and whatever conversation we had was very hasty indeed, and it was more in reference to when I should see

him in Washington than to anything else ; I am not positive that Weed intimated to me anything about a commission, but I understood myself that I should pay him a commission if he got me a contract.

Question. What did you say to Laflin upon the subject?

Answer. I do not recollect ; he knew about the matter.

Question. What did you say to him in relation to Weed's services in enabling him to get a contract?

Answer. I think we both made a proposition at Washington as to the amount of powder we would furnish, and handed them to Weed, and I think he took them to Cameron.

Question. You made Weed your agent, as between yourselves and Comeron, upon your first visit to Washington?

Answer. Yes, sir.

Question. How many times did you confer with Weed upon the subject?

Answer. Several times, perhaps three or four times.

Question. Did Weed communicate to you the result of his efforts in your behalf?

Answer. I am not able to say ; the result was reduced to writing, and it is now on file in the department at Washington ; I think the purport of the letter was that Mr. Cameron desired General Ripley to divide the contracts for powder between the States of New York, Massachusetts, and the other States which were furnishing powder.

Question. Who in Massachusetts is furnishing powder to the government?

Answer. I think the New England Company is.

Question. Where is that company located?

Answer. Near Ware.

Question. Then you think that Weed's efforts in your behalf brought out a letter from Cameron?

Answer. No, sir ; the letter was one from Mr. Weed to General Ripley, stating Mr. Cameron's wishes.

Question. And those were that Ripley should apportion the contracts for powder among several States?

Answer. Yes, sir.

Question. In what terms did Weed state to General Ripley Mr. Cameron's desire to have the powder contracts divided?

Answer. I cannot state. I have a copy of the letter.

Question. And that letter was filed in May?

Answer. Yes, sir.

Question. What else did Mr. Weed do?

Answer. Nothing.

Question. Did you take that letter to General Ripley?

Answer. I did.

Question. Where did you receive it from Mr. Weed?

Answer. At Willard's Hotel, in Washington.

Question. What else was said between you and Weed as to the amount of the contract, or the profits upon it?

Answer. I do not think we discussed the profits at all.

Question. What subject did you discuss?

Answer. Simply his aid and assistance in procuring the contract.

Question. What did you say about that?

Answer. I do not think I can tell.

Question. Can you give the purport of your conversation?

Answer. It was simply what I have before stated, that he was to use his influence to procure that contract for me.

Question. He engaged to do that, did he?

Answer. Yes, sir. That was what I expected of him.

Question. Was Laflin with you at the time?

Answer. No, sir.

Question. But you reported the conversation to Laflin?

Answer. Yes, sir.

Question. Do you know any agreement upon the part of Laflin to pay Weed five per cent.?

Answer. No, sir.

Question. Do you remember that Laflin came home, and his partners disliked to carry out some arrangement of his?

Answer. Yes, sir.

Question. What was that agreement or arrangement?

Answer. I do not exactly know. At the time I took the letter to Ripley which Weed had given to me, Ripley said they had all the powder they wanted, and, therefore, that he did not propose to make any more contracts at present. Immediately after that I returned and saw Mr. Van Wyck, and he and I went to General Ripley and told him that the contracts must not be given out without a notice being first served upon all the powder manufacturers; that he had no business to make a contract with any man without notifying all those parties, in order that they might have an opportunity to bid. My impression is that my contract was the result of the interference of Van Wyck, instead of the efforts of Mr. Weed.

Question. How long was that after Weed's letter was given to General Ripley?

Answer. The next day, or the next day but one.

Question. What was there about the transaction which led you to believe that your contract resulted more from Mr. Van Wyck's influence than from that of Mr. Weed?

Answer. Because General Ripley came to me that night and told me that whenever the government wanted any more powder they would give us an order. I saw Van Wyck afterwards and thanked him for his services, and told him that the scolding he gave Ripley secured a contract for me.

Question. What was the nature of the transaction which Laflin's partners were unwilling to carry out?

Answer. I do not know, positively; but I suppose it was this: Mr. Weed, either before or after he gave me that letter, I cannot say which, told us to go on and make the powder, and not wait for a contract; I went on and made the powder, but they refused to make it unless there was an agreement in writing that the government would take it.

Question. One of Laflin's partners is a brother of yours.

Answer. Yes, sir.

Question. Do you not know that there was some conversation be-

tween Laffin and his partners touching that five per cent. which was to go to Weed?

Answer. I do not.

Question. Do you not know that Laffin communicated to his partners the fact that Weed had offered, through you, to get a contract for five per cent.?

Answer. Well, I think the matter of the five per cent. was discussed in my presence and in the presence of Boyes and his other partner.

Question. By whom was it discussed in your presence?

Answer. By ourselves.

Question. Then the matter of the five per cent. to Weed was talked over by that firm in your presence?

Answer. Yes, sir.

Question. In what manner was it talked over?

Answer. They were aware of the conversation I had had with Davidson at the Astor House, and they knew all the transactions which took place from day to day.

Question. But the conversation with Davidson at the Astor House had nothing to do with Weed.

Answer. I thought it had.

Question. I do not understand that Davidson replied to your remark that you could afford to give five per cent.; where, then, did you get the idea which led you to make the statement to Laffin's firm touching the five per cent.?

Answer. I inferred from the fact that Davidson made no reply that Weed would get the contract for five per cent.

Question. What further was there in Davidson's conversation which led you to suppose that?

Answer. Nothing more than I have stated.

Question. Did you state to Laffin's firm what your inference was?

Answer. I think I did.

Question. Did you state to Laffin's firm that the basis of your inference was that you had said something to Davidson, and he made no reply to it?

Answer. I think I did not; I supposed he assented to it?

Question. Assented to what?

Answer. The percentage.

Question. Assented to your agreeing to pay five per cent. to Mr. Weed?

Answer. I do not think anything was said, but I got that impression.

Question. You got this impression from him: That if you got the contract you would be under moral obligation to pay Weed five per cent.?

Answer. I did feel so.

Question. You felt so as the result of your conversation with Davidson, or as the result of your conversation with Weed?

Answer. As the result of conversations with both of them.

Question. The combined result of your conversations with Davidson and Weed was, that you would be under a moral obligation to pay Weed five per cent.?

Answer. Yes, sir.

Question. Did you learn from any source that Laffin stated to any of his partners that he agreed to pay five per cent. to Weed?

Answer. I do not think there was any conversation between him and Weed upon the subject; I think all the conversation was with me; and I should think they felt honorably bound to pay five per cent. upon every pound of powder they furnished, as well as myself.

Question. Did not you tell Laffin that you promised to give Weed five per cent. if he would be the means of getting you the contract?

Answer. I do not know but I might have said so to him, but, if I did, I think it was said in reference to the conversation I had with Davidson. I got the impression that Davidson was acting for Weed. I never saw him before I saw him at the Astor House.

Question. Did you state to Laffin that you had promised to give Weed five per cent. if he would get a contract for them?

Answer. I think most likely I did.

Question. I think it most likely you told Laffin you had promised to give Weed five per cent. if he would get a contract for them, as well as for you?

Answer. Yes, sir.

Question. When was it that you made that promise to Mr. Weed?

Answer. It was in May, I think.

Question. It is a fact, then, that you did make that promise to Weed?

Answer. No, sir; I told Laffin that I had had a conversation with Davidson, and that I supposed Davidson acted for Weed.

Question. Did you promise Davidson to give Weed five per cent.?

Answer. I think I did.

Question. That was at the Astor House?

Answer. Yes, sir.

Question. And did you see Weed after that, in Washington?

Answer. I did.

Question. And in pursuance of that arrangement Mr. Weed had a conference with Secretary Cameron, did he?

Answer. He had a conference with Cameron.

Question. Did he have a conversation with Cameron before you asked him?

Answer. No, sir.

Question. After you saw Weed at Washington did he have a conference with Cameron in your behalf?

Answer. He said he had.

Question. And in carrying out this arrangement he wrote that letter to General Ripley, did he?

Answer. Yes, sir.

Question. You understood that it was carrying out the arrangement you had made with Weed at the Astor House?

Answer. I so understood it.

Question. You have stated that you think you did promise upon Laffin's behalf to pay five per cent.; did Laffin object to paying five per cent.?

Answer. I do not think he did, because he was anxious to go on

and make the powder under that understanding, but his partners objected.

Question. Was not Laflin after a while persuaded by you to pay five per cent.?

Answer. No, sir. He came into the arrangement of his own accord. We perfectly understood that before I left home.

Question. Where was it that you learned that his partners revolted at five per cent.?

Answer. I never learned any such thing.

Question. Then they did not revolt at the five per cent. any more than you and Laflin did?

Answer. No, sir.

Question. They were unwilling to enter into the operation because there was an uncertainty whether or not the government would take the powder?

Answer. Yes, sir.

Question. Did you return to New York from Washington with Laflin?

Answer. Yes, sir.

Question. And where was it that you saw Boyes?

Answer. I think it was in his office at Sangerties.

Question. Where did you first see him after you left Washington?

Answer. I do not know.

Question. Did you not first see him at the Astor House?

Answer. Perhaps I did, but I do not recollect.

Question. And Mr. Weed also?

Answer. I do not think we saw Mr. Weed upon our return.

Question. Are you quite sure of that?

Answer. I think I am.

Question. When did you first see Weed after your return from Washington?

Answer. I do not know.

Question. Have you no recollection of an interview with Weed at the Astor House before you went home?

Answer. I have not.

Question. Or with Mr. Laflin's partner, Boyes?

Answer. No, sir.

Question. Did you have any conversation with Weed as to the probability of your getting a contract?

Answer. I do not recollect; I do not know when I saw him.

Question. Did you go on to Washington again after that?

Answer. Yes, sir.

Question. Did you take any letters upon that occasion?

Answer. No, sir.

Question. Whom did you see at Washington in reference to this matter?

Answer. I saw Weed, but he went off and left me. He did not remain, as I understood he would.

Question. How did you learn that he would stay and help you?

Answer. Before we went on he told me he would; I met him at the Astor House, and he told me he would be in Washington Thurs-

day or Friday night, but he did not arrive there until Sunday morning, and he left that night.

Question. Did you not see him?

Answer. I saw him, but did not speak to him.

Question. He told you he would be there to aid you, did he?

Answer. I do not know that he said that, but I expected it.

Question. What reason had you to suppose that he would do so?

Answer. From the interest he took in the contract before I supposed he would aid me that time.

Question. What was the difficulty?

Answer. I do not know.

Question. Did Weed recommend you to anybody else?

Answer. Yes, sir. Before I left New York he introduced me to Mr. Cummings, saying that if he did not get there Cummings might assist me.

Question. What did he say about the ability of Cummings to assist you?

Answer. I do not know.

Question. Did you inquire of him how Cummings could assist you?

Answer. I did not.

Question. Did you inquire in what relation Cummings stood to the War Department?

Answer. No, sir. I only understood that he had as much and perhaps more influence than any other man.

Question. Did Mr. Weed suggest any one else?

Answer. No, sir.

Question. Did you avail yourself of the services of any one else?

Answer. Yes, sir.

Question. Whose?

Answer. Mr. Ashman's.

Question. What did Mr. Ashman do for you?

Answer. He called upon General Ripley and told him I wanted to deliver some powder to the government. Ripley told him that my name was upon the list. In fact, Ripley had told me the day before that the government would want some powder soon. I walked up to the department, and General Ripley asked me how much and what kinds I had, and the price. As to price, it was the same they had always paid. He directed his clerk to make out an order for the kinds I had, and I left.

Question. Did Mr. Ashman ask you to walk up to the department before he went up there himself?

Answer. No, sir. I asked him to go up and speak to the department upon the subject.

Question. What understanding had you with Ashman about preparing the way for your contract?

Answer. I do not know as there was any particular understanding with Mr. Ashman. I have no doubt if my powder is accepted I shall give Mr. Ashman a commission.

Question. How much?

Answer. I think I shall give him \$500.

Question. Does that amount to the same moral obligation towards him which you felt towards Mr. Weed?

Answer. I claim whatever Mr. Ashman has done for me as a right, for I worked for Ashman a number of years in his district, as you know, and I claim his services as a right. I had no bargain with anybody, but I shall pay Ashman a commission.

Question. Then you charge the contract you got this time to Ashman's influence?

Answer. Yes, sir.

Question. But I thought Van Wyck was the man who got you the contract?

Answer. It did commence with Mr. Van Wyck.

Question. Do you live in Mr. Van Wyck's district?

Answer. My works are there.

Question. He censured the department for not making open proposals for all the powder, did he?

Answer. Yes, sir; and that was all. He did not ask Ripley to make a contract with me, but only censured him for giving out contracts without giving notice to all the manufacturers.

Question. (By Mr. Steele.) This order you got for powder was not given under proposals?

Answer. No, sir.

Question. (By Mr. Fenton.) What is the amount of your contract with the government?

Answer. It is for 875 barrels of powder; and General Ripley has instructed the inspector, who is at my works now, to accept some other small lots amounting to 20 barrels.

Question. How much will the 875 barrels amount to in money?

Answer. About \$16,000. If there had been proposals issued I would have obligated myself to furnish it at one cent a pound less.

Question. How did you know Mr. Cummings?

Answer. I think Greely told me that he had more influence than anybody else.

Question. Did Cummings do anything for you?

Answer. No, sir. He went on that evening to Philadelphia, but did not come on to Washington for a day or two. By that time I had made up my mind not to chase him around any longer, and I asked Ashman to go and see Ripley for me. He did not like to do it, for he did not like to put himself under any obligation to any man; however, he finally went.

BOSTON, *Massachusetts*, October 3, 1861.

JOHN P. ROBINSON sworn.

Question. State your place of residence, and your business.

Answer. My home is in Boston, and I am a manufacturer of boots and shoes at Brookfield, in the county of Worcester, Massachusetts, in the town of Marlboro', in the same county, and at Dover, New Hampshire.

Question. How long have you been engaged in the business?

Answer. On my own account, I commenced May 3, 1830.

Question. Have you been long a manufacturer, doing an extensive business?

Answer. Yes, I have been somewhat extensively engaged in the business. Last year we made a million pairs of boots and shoes.

Question. Have you sold any shoes to the government, or made any contract with the government?

Answer. We bid for a contract. We have sold to Major Vinton, of New York, by verbal contract, and have his order for more. Most all of our orders have been through other parties. We have shipped a good many goods to Captain Dickerson, of Cincinnati.

Question. Were these shoes for the government, or for the State of Ohio?

Answer. For the government. He is assistant quartermaster. We have also sold to Mr. Whittlesey, assistant quartermaster of the Ohio militia at Columbus, Ohio, for the State troops.

Question. At what prices have you furnished the government; and of what quality of shoes—pegged or sewed?

Answer. Well, we have made both. We have made it a rule always to make the best goods we could, and the pegged shoes that we have made we think will do more service than the sewed ones. We have uniformly furnished a very good quality.

Question. Pegged or sewed?

Answer. Both; we make both, but our principal business is in pegged shoes.

Question. You have sold pegged shoes to the government as well as sewed shoes?

Answer. Yes, sir.

Question. Be good enough to state the prices as between pegged and sewed shoes.

Answer. Well, pegged shoes are about \$1 25 a pair for a prime, good article. We have sold some lower, and some as high as \$1 40. Some we have sold as low as \$1 15; but for a good army pegged shoe \$1 25 is about as low as we can afford to sell them for and deliver them here.

Question. What can you sell sewed shoes of the same quality for?

Answer. For sewed shoes of the same quality from \$1 90 to \$2 a pair.

Question. From your acquaintance with the business, and your knowledge of the manufacture and the wear and tear of shoes, state what is the difference between pegged shoes at the prices you have sold them and sewed shoes at the prices you have sold them.

Answer. Well, for out-door service, such as marching, mining, ditching, building railroads, canals, or roads, or for lumbermen, I think one pair of pegged shoes would outlast two pair of sewed ones.

Question. For army purposes?

Answer. Well, for marching and working in intrenchments, where the shoes would be exposed to dampness, and to frequent wetting and drying, I should think, to be exact, that two pairs of pegged shoes

would be equal to five pairs of sewed shoes ; but it would be safe to put it down that one pair of pegged would outlast two pair of sewed.

Question. Can you state to the committee why the government requires sewed shoes at this enhanced price?

Answer. Yes ; but before doing so, as some person reading my statement who did not know me might think I had some interested motive, let me state what my experience has been. My father was what is termed a custom shoemaker in one of the western towns of Massachusetts. He did, for that section, a large business, and his boys—four of us—were all educated to that branch of the business. We learnt to make sewed shoes first. I worked at that business until I was twenty-one. All the shoes that we sold at retail in that immediate neighborhood came back to us to be mended, and we knew what service they rendered. I worked at that business for five or six years, and so did my brothers. We then adopted the pegged shoe, for the reason that the pegged shoe, if well made, will hold the leather together until it is worn out ; but it is very difficult to sew a shoe so strongly that it will not rip from exposure to dampness. At the time the western railroad was built in this State between Worcester and Albany we were manufacturing at Brookfield, on the line of the road, and we did a great deal towards furnishing supplies to the men engaged in constructing that road. We furnished boots as well as other articles, and had an opportunity of knowing how the goods wore. We furnished pegged and sewed, but principally pegged. The civil engineers, and those engaged in making the surveys through Brookfield and that section, commenced with sewed boots, but adopted pegged boots because they found they would do so much more service than sewed boots ; and from about 1844 or 1845 we ceased the manufacture of sewed shoes, and did not resume it. I come now to the question you put to me. The quantity of sewed shoes needed by the government, when there were very few men in the army, and those men were not required to drill much, was so small, that the attention of the government was not called to the subject, and having been supplied with sewed shoes, the amount was not sufficient to attract attention, and they did not make the change. We make more profit out of the sewed shoes we sell to the government than out of the pegged. The government are more willing to buy the sewed, and they pay a greater profit.

Question. Then you think the attention of the government has never been called particularly to the difference in the quality of the two kinds of shoes?

Answer. The amount wanted was so small that public attention was not called to it ; and, in addition to that, I think that 90 per cent. of all the soldiers, and of all the subordinate officers, who have supplied themselves with shoes have used pegged entirely. I mean those men who have been called into service by the States, and before that, when each man got his own shoes.

Question. Have you heard any complaints from soldiers and officers who have been in service and have used pegged shoes in regard to their not being as good as sewed shoes, as easy to wear and to march in?

Answer. Those I have conversed with have uniformly said the pegged were better than sewed, if the pegs were well driven. There are in the market, at all times, some pegged shoes where the pegs are not properly driven in. A colonel of one of the regiments, who was educated at West Point, and was in service in the Florida war, and before that, told me that he preferred pegged shoes to march in, if they were properly made.

Question. Then, in your judgment, there is no foundation for this idea that the sewed shoe is so much easier for the soldier to march in as to make it desirable for the government to buy it in preference to the pegged shoe?

Answer. I do not think it is so easy.

Question. State the reason why you do not think so.

Answer. Well, I think the pegged shoe is easier from the testimony of the civil engineers on the railroad, who, when in the field, are obliged to be on their feet, marching or standing, all the time. I think the pegged shoe is easier, because the bottom is more solid, from my own experience in walking, and I walk a good deal. There are some acquaintances of mine, for whom I have made their boots and shoes for a long time, who have been rather famous walkers—men who have walked all over the continent of Europe, and who, if they were going to the White Mountains or Niagara Falls, and could take the time, would walk—and they have borne testimony to me that the stiffer and firmer the sole of the shoe the easier it is for the foot.

Question. A shoe that gives to every inequality of the ground is harder to wear than a shoe that is firm and unyielding?

Answer. Two officers connected with one of the Massachusetts regiments, one of whom has seen considerable service, and has also been in California, and the other a recruiting officer of one of the regiments, were in my store the other day and I asked them the question you put to me in regard to the value of the service, and they both said that pegged shoes, such as have been furnished, were the best. They instanced a particular case. The town of Brookfield and other adjacent towns raised a company, and we sent down and made a present to those soldiers of 120 pairs of pegged shoes. The State of Massachusetts furnished the regiment to which the company belongs sewed shoes, which they paid \$1 90 for here. Captain Watson, the recruiting officer of the regiment, and this lieutenant told me that they thought one pair of these pegged shoes would outlast three pairs of the sewed shoes, and would afford more comfort to the wearers.

Question. What was the cost of those pegged shoes that you sent down?

Answer. A dollar and a quarter would be a fair price for them.

Question. And these officers thought that one pair of those shoes would be worth three pairs of those the government paid \$1 90 for?

Answer. Yes, sir.

Question. Do you understand that the government requires, in all its contracts, sewed shoes for the army?

Answer. They are buying pegged shoes to go to Philadelphia.

Question. Will you state if you have any interest in establishing the superiority of pegged shoes over sewed shoes?

Answer. Well, I am more largely interested in manufacturing pegged shoes than I am in manufacturing sewed shoes; but I could make sewed without any inconvenience if I thought it would be as prudent, and the sewed would pay me a larger profit.

Question. Your testimony is not influenced in any way by your interests?

Answer. No, sir; in what I say I am not guided by my interests.

Question. Can you make a rough estimate as to the amount the government loses by adhering to this system of requiring sewed shoes rather than pegged shoes, taking into consideration the additional price of sewed shoes over pegged shoes, and the additional value of pegged shoes over sewed shoes?

Answer. To enable me to answer that question you would have to tell me the quantity the government buys.

Question. Have you no idea in regard to the quantity of shoes the government is getting?

Answer. Well, it is so enormous that when I make any estimate I am astonished that the government should, even for the troops that it has in the field, require so much. If the shoes are all furnished to the soldiers, I do not see how it is possible they can require so many.

Question. How many are they buying?

Answer. Well, the quantity would go under the name of legion, and I could not make any estimate.

Question. Can you give us any estimate as to the saving that the government would have made in buying pegged shoes instead of sewed shoes, taking into consideration the difference in price and the difference in utility?

Answer. In July, Major Vinton advertised for proposals for 800,000 sewed army booties. These proposals were accepted at an average price of over \$1 90, and the government, not receiving them as fast as was required in the advertised proposals, was obliged to buy them at from \$2 to \$2 15, or \$2 20. I should think the government have bought, during the last three months, three million pairs, which would be a million pairs a month. I think that the average price has been about \$2 a pair, and that the government would have been able to obtain as many pairs of pegged shoes at \$1 25 per pair, which would have been a saving of two and a quarter millions of dollars on the cost. I think that the pegged shoes that they would have obtained at the less price would have been worth to the consumers twice the service of the sewed shoes, by which there would have been a saving to the government in that article of four millions and a half of dollars in three months. For artillery boots the government have been accustomed heretofore to use short-leg (twelve-inch leg) sewed boots. Contracts have been given out at \$3 50 per pair. That sewed boot will certainly not do as much service as a pegged boot of the same length of leg that could be contracted for at two dollars a pair.

Question. Have you any idea of the number of artillery boots that have been bought at that price?

Answer. I cannot make any very correct estimate. I should think about 100,000 pairs have been ordered from this locality.

Question. Who have been having contracts with the United States government here in this city?

Answer. Preston Ware & Co.; but the purchases have been chiefly through men who are not shoemakers.

Question. Benedict & Hall?

Answer. Benedict, Hall & Co. have furnished a large quantity.

Question. They are not shoemakers?

Answer. They are shoemakers; but contracts have lately been obtained of Major Vinton, in New York, by parties outside the business.

Question. Who are these parties?

Answer. Well, parties in the Shoe and Leather Reporter newspaper had a good amount, and a man in New York of the name of Dexter. I do not know but that he furnishes to the government as cheaply as men in the trade.

Question. Do you know of any reason why these outside men should have been employed in that way?

Answer. I do not. The contracts that the government has given out have been more frequently given to middle men, who were not manufacturers, and had not a manufacturer's reputation to sustain; whose only interest was a large profit; and after securing the contracts at a certain price, the lowest priced article that they could find in the market, if it could be accepted by the government, would pay them the largest profit. The result has been that they have given the government a low-priced article, and the government has been shockingly cheated. The State governments have probably suffered as much, or more, than the United States government in this respect.

Question. You have stated that you have had transactions with the government through other parties here in this city?

Answer. We have done so.

Question. Instead of selling directly to the government, you have done it through other parties?

Answer. Yes, sir.

Question. What parties were these?

Answer. They have been men who have been dealers in boots and shoes generally, and to whom we have sold.

Question. Have they sold to the government at a higher price than that at which you sold to them?

Answer. They have.

Question. What reason is there why the government should not deal with you directly, instead of dealing with parties who purchase from you, and thus save the amount of the commission which those parties get?

Answer. The government should have done so, and I think they will do so when they become informed in the matter. I think that the government was called upon suddenly to furnish such a large amount that they were compelled to call upon the men nearest to them. I think that if the government had found some competent man to make the purchases—not an army officer, but some competent

merchant—they would have made a saving of perhaps one-fourth in all their purchases, even if they had bought the same classes of goods.

Question. Do you understand that the government is under large contracts now for the manufacture of sewed shoes?

Answer. They have a good many contracts for shoes, but not to extend a long time. I believe all the contracts must be filled within two or three months. I do not think any of them go beyond two or three months.

Question. Do you think the government have enough to supply the army until spring?

Answer. I doubt if they have.

Question. Well, to sum up, Mr. Robinson, from your knowledge in regard to this whole business of the manufacture of boots and shoes, their quality, and their capacity for wear, what is your opinion in regard to the interests of the government—whether it should substitute pegged shoes for sewed shoes?

Answer. Well, I think it would be largely for the interest of the government to purchase pegged shoes for the soldiers; and I think if the government intend to make a saving they should make an effort to buy as nearly as possible at first hand, where the shoes are manufactured. I will add that there have been very great improvements in the quality of pegged shoes within the last few years.

With the permission of the committee, I will make a further statement. The contracts made by the government have been chiefly for sewed shoes, to be made of oak leather. Oak leather being higher than hemlock leather, that has enhanced the price over what it would have been if the shoes contracted for were to be made of hemlock leather.

Question. Is there all the difference between oak and hemlock which they pretend?

Answer. I do not believe that the oak leather they will get will do as much service as the hemlock leather they would get, if the shoes were well made. The quantity of oak leather is not sufficient to supply the wants of the government, and if they insist upon it it will carry the price of oak leather much higher than the present rulings, which will make the additional cost much greater.

Question. Is oak-tanned leather considered better than hemlock-tanned leather?

Answer. For some purposes.

Question. For army purposes?

Answer. I do not believe that it will render any more service to the troops. We have furnished to planters at the south, for a portion of their operatives, oak, and for a portion hemlock, and it has been found that the hemlock rendered more service than the oak.

PRESTON WARE, jr., sworn.

Question. Please state your residence and business.

Answer. I reside in Newton, Massachusetts. I am a manufacturer and merchant. I am now a manufacturer of army sewed bootees.

Question. You are a shoe manufacturer, are you?

Answer. That is my business, and has been for several years. I have been in the shoe business twenty years.

Question. Are you manufacturing for the government at the present time?

Answer. I am manufacturing under a government contract.

Question. Was your contract made directly with the government through its officers?

Answer. Yes, sir; it was made with Colonel Vinton, and approved by Colonel Meigs.

Question. How large is the contract?

Answer. It is a contract for 200,000 pairs.

Question. At what price and when to be delivered?

Answer. 50,000 at \$1 25, 50,000 at \$1 90, 50,000 at \$1 95, and 50,000 at \$1 97.

Question. Are all the shoes to be of the same quality?

Answer. All of the same quality.

Question. What is the occasion of the difference in price?

Answer. We were desirous to make some, and we did not know but that we might be underbid, so we adopted a sliding scale, averaging \$1 91 $\frac{3}{4}$.

Question. You got the contract directly from Colonel Vinton?

Answer. Yes, sir.

Question. Through the intercession of any intermediate party?

Answer. It was obtained by Reynolds, of New York. He was a partner with me in New York. I will give you the circumstances. Mr. Reynolds, knowing me to be a manufacturer, and that I made, as he said, very nice goods, wrote to me to come on to New York and he thought he could get a contract for some shoes. I told him I would make the shoes if he got the contract. He then substituted in his place a gentleman of the name of Taylor, who lives in Jersey City, for what reason I do not know. He said that he would rather take the contract in the name of Ware and Taylor, and I said it made no difference to me, I would make the goods; and I advised him in regard to what the goods would cost and he put in the bids. I told him I thought if stock did not advance we could afford to make them at \$1 85 per pair; but he thought stock would be higher, and averaged it at \$1 91 $\frac{3}{4}$.

Question. For what reason was Mr. Taylor put in?

Answer. I do not know but what the reason was because of his influence in obtaining money to carry on the business. I told Reynolds I should have to have money to carry on the business.

Question. Is Mr. Taylor a capitalist?

Answer. Mr. Taylor is worth something, but I understood he had influential friends to furnish the money, and I was to have the money as fast as I finished the goods. We would be enabled to do it better and cheaper in that way.

Question. You say you have been manufacturing shoes for about twenty years. What kinds of shoes have you generally manufactured?

Answer. I have manufactured a great many different kinds. I have made fine Congress pegged boots. I have a store here in Boston. I have made buffalo overshoes and anything that could be made.

Question. Have they been pegged or sewed?

Answer. Mostly pegged work.

Question. Will you be good enough to state to the committee your judgment in regard to the relative value of pegged and sewed work?

Answer. I think that sewed work is far superior, although perhaps it is not my interest to say so. I will explain to you a little more fully. This sewed business is comparatively a new business for New England, and we expected some difficulty at first in making that kind of work, to get workmen and get them properly trained. We expected that we would not come up to the mark.

Question. Which will last the longest for army purposes—marching, throwing up entrenchments, outdoor work, and exposure to the weather—a pegged shoe or a sewed shoe?

Answer. I should think, if properly made——

Question. Made as they are made.

Answer. Well, made as they are made, I should think sewed shoes would last from 50 to 75 per cent. longer. I have a boy ten years old, for whom I have made an army sewed shoe, to try it; he has worn them eight weeks, and I think he never had a pegged shoe last him more than five weeks.

Question. Have you ever known any other practical trial?

Answer. I have known others. I have put these army shoes on to my men, and they all say they wear much better. They give to the foot.

Question. But as to the wear. Do you state that a sewed shoe will last that much longer than a pegged shoe?

Answer. I think so.

Question. And your opinion is founded upon what?

Answer. Well, from what I have seen of sewed shoes worn.

Question. How long have you manufactured sewed shoes?

Answer. Not to any extent until I got this contract.

Question. Had you known anything in relation to the wear of sewed shoes previous to that?

Answer. Only from personal observation; my brother-in-law, who is in college here, wears sewed shoes.

Question. Has he been exposed to the weather?

Answer. Not materially, but then young men, you know, wear shoes much harder than older men; I may have stated that percentage too largely, but that is my experience, to say nothing about ease and comfort to the feet.

Question. How large a contract have you with the government for the delivery of sewed shoes?

Answer. 200,000 pairs—nearly \$400,000.

Question. When are they to be delivered?

Answer. In four months.

Question. From what time?

Answer. From the 10th of August or the 10th of September; my contract was not approved by Colonel Meigs until, I think, about the 10th of September.

Question. What could you furnish to the army a pegged shoe of the same quality of leather you are making now for?

Answer. I think about \$1 37 for a prime article.

Question. You could not furnish it any cheaper than that?

Answer. I do not think I could at the present prices of stock.

Question. How much longer do you say, in your judgment, a sewed shoe costing \$1 91 $\frac{3}{4}$ would last a soldier than a pegged shoe costing \$1 37?

Answer. I think 50 to 75 per cent. longer.

Question. And your judgment in that respect is founded upon your observation in regard to your brother-in-law and your boy?

Answer. Yes, sir; and myself, too; but I would say that the sewed work which has been made here in New England has been made so poorly that it would not last any longer than pegged shoes.

Question. Then your remarks referred only to the shoes made under your own contract?

Answer. They refer only to prime army shoes.

Question. What is the difference between a shoe made as a sewed shoe is ordinarily made, and a pegged one?

Answer. I should sooner have pegged.

Question. Then it is only your superior work that is preferable?

Answer. I refer to the whole New England work; they are now making good work in New England.

Question. But of the work that they made formerly—the ordinary work—you think the pegged shoes better than the sewed shoes?

Answer. Yes, sir.

Question. How long will a sewed shoe last a soldier under ordinary army usage?

Answer. Well, that I cannot say; I have made some estimates in regard to it; I estimate that a soldier when drilling will travel twenty-four miles a day, and if that is the case a shoe will not last him over six or seven weeks.

Question. And you think a soldier drills that amount?

Answer. If a soldier drills eight hours a day, three miles an hour.

Question. Have you any knowledge of the use of pegged or sewed shoes by operatives on the public works, engineers on railroads or workmen on railroads?

Answer. I have not.

Question. You have no knowledge of the comparative utility of the two kinds of shoes?

Answer. No, sir; I have always understood from everybody that I have talked with about shoes, except, perhaps, those interested in the manufacture of them, that a sewed shoe properly made is far superior to a pegged one.

Question. Is there not a very great difference of opinion upon the subject?

Answer. Yes; there is a very great difference of opinion.

FRANCIS J. EMERY, sworn.

Question. State your residence and occupation.

Answer. I reside in Boston and am a shoe manufacturer.

Question. What is your firm?

Answer. Frederic Price & Co.

Question. Have you any contract with the government?

Answer. We have not any at present directly with the government.

Question. Have you had any or have you any now, directly or indirectly?

Answer. There is a contract with our branch house in Philadelphia which we are supplying with goods; we are interested in the house.

Question. What is the name of the firm?

Answer. F. and N. Jones.

Question. What kind of work have you been making?

Answer. We have been making a good many army shoes for the government.

Question. Pegged or sewed?

Answer. We have made both, but we have sold only sewed directly to the government.

Question. By whom was the contract with the government made?

Answer. It was made by Mr. A. B. Darling, of Philadelphia, as our agent.

Question. At what prices?

Answer. The prices were \$1 85 for oak, and \$1 80 for hemlock.

Question. How large a number?

Answer. Fifteen thousand pair of the oak and ten thousand pair of the hemlock. We had sold them previously more of the hemlock. I do not know exactly the amount, I think some three, four, or five thousand pairs of the hemlock. Those we sold at \$1 75.

Question. How long have you been in this business?

Answer. Mr. Price has been in the business some thirty years.

Question. What have you made generally, pegged or sewed shoes?

Answer. Our work has been mostly pegged work.

Question. What is your judgment, from your knowledge and business, in regard to the relative value of pegged and sewed shoes for army purposes, and their durability?

Answer. Well, of course, I know nothing from experience; it is merely an opinion. I should judge that good pegged work would be as durable as the sewed work the government is likely to get. At the same time, I do not think pegged work is as soft to the feet as sewed work, and in that view sewed work is better than pegged.

Question. How is it for marching purposes and exposure to the wet in digging trenches and so forth?

Answer. It is my opinion that sewed work is on the whole preferable, but I cannot see why pegged work cannot be made that is equally durable.

Question. How is it as a matter of fact? Is the pegged work which is made as durable as the sewed work which is made?

Answer. So far as my observation goes, the pegged work that is being made for the government at the present time is, I should judge, as durable at least as the sewed work.

Question. Can you state whether or not the government is receiving much pegged work?

Answer. Not from positive knowledge, but from what I see I infer that many pegged shoes ultimately reach the government, and that

the quality at the present time is very much better than it was formerly.

Question. Has the State of Massachusetts purchased many shoes here for the troops it has sent off?

Answer. I suppose it may have purchased a good many, but we have sold none to the State.

Question. Do you know what kind of shoes the State purchased, pegged or sewed?

Answer. Pegged at first and latterly sewed.

Question. They have changed from pegged to sewed?

Answer. Yes, sir.

C. GILMORE sworn.

Question. State you residence and business.

Answer. I am a shoe manufacturer, and my place of business is Raynham, Bristol county, Massachusetts.

Question. How long have you been engaged in the manufacture of shoes?

Answer. Well, for twenty years.

Question. Have you been largely engaged in it?

Answer. Yes, sir.

Question. Will you be good enough to state to the committee your experience and knowledge in regard to the relative value of sewed and pegged shoes, as to wear and tear and service in the army?

Answer. So far as pegged shoes are concerned, I have furnished the State of Massachusetts with several thousand pairs. I was with our seventh regiment the other day, and I made inquiries of men who had been wearing my shoes. They had worn them then something over three months.

Question. What kind of shoes?

Answer. Pegged shoes, which I sold for \$1 20 to the State of Massachusetts. I inquired of two or three of the men, and they said they liked them very much. One man I asked said they hurt his feet.

Question. What would be the price of sewed shoes? What is the government paying?

Answer. In the neighborhood of two dollars. I recently understood that the government was paying \$2 25. The contract price is from \$1 90 to \$2.

Question. What can a manufacturer afford to sell a good pegged army shoe to the government for?

Answer. Well, he can afford it for \$1 20, with double sole, and make a fair and good business if you will give him enough to do.

Question. What is the difference in wear between those shoes—the sewed shoes costing from \$1 90 to \$2, and the pegged shoes costing \$1 20?

Answer. Well, I will make this offer: I will put my pegged shoes at \$1 20 against the sewed shoes made here at \$1 90 to \$2, and I will forfeit my shoes if they do not last the longest. They may take

a regiment and make the right shoes and I will make the lefts, and if mine do not wear the longest, I will lose the shoes.

Question. What advantages, if any, to the soldier in the field have the sewed shoes over the pegged shoes?

Answer. My impression is that they have not any. In the first place, I do not believe that one soldier in ten ever wore a sewed shoe in his life. I have heard it said that the sewed shoe is easier to the foot, but my opinion is that for soldiers it is not so easy, from the fact that the sole of the pegged shoe is thicker and stiffer. I think they would wear longer because there is a top sole on my pegged shoes and on the sewed but one.

Question. Do you know of any reason why the government should insist upon having sewed shoes at the price it pays, to the exclusion of pegged shoes at a much less price?

Answer. Well, I cannot tell you the reason. I can tell you that I have been talking with General Couch about my going down to get a contract at Washington; he says he has no doubt I will persevere if I try, but that our government officers are so prejudiced in favor of running in old ruts that he would rather take his chance to go into battle to-morrow of being killed than to change their views on the subject of shoes.

Question. Is General Couch a regularly educated officer?

Answer. Yes, sir; he is a graduate of West Point, as I have understood.

Question. Has he served in the army?

Answer. He served in the Mexican war, and was at the battle of Buena Vista.

Question. Is that the only reason that you know of?

Answer. That is the only one that I know of. All my surmises would not amount to anything.

Question. What reason is there really, if things are as you believe them to be, why the government should insist upon having sewed shoes at an enhanced price over pegged shoes?

Answer. Well, I will tell you what I have often heard remarked, and it is my impression that it is a fact: that oak leather is generally tanned in Pennsylvania and Maryland—a great deal in Maryland—and not much is tanned outside of there, and it is the opinion of people that they must have that particular kind of shoe, because it would make a very good sale of oak leather.

Question. From your experience as a shoe manufacturer is it your opinion that oak-tanned leather is superior to hemlock?

Answer. I do not consider it so. In some hides I think it is. I am cutting now both hemlock and oak, and I think the hemlock is quite as good as the oak, if not better.

Question. Does it stand water better?

Answer. Not if both are properly tanned. The oak I am now cutting was tanned in Pennsylvania.

Question. Have you any interest in this matter as a manufacturer which biases your opinion for or against any particular kind of shoes?

Answer. I do not know that I have.

Question. Will you state, of your personal knowledge, how long pegged shoes have worn in the army?

Answer. To my personal knowledge they have worn three months—those made by myself.

Question. How do you account for the discrepancy between the opinion of Mr. Robinson and that of Mr. Preston Ware?

Answer. Well, indeed I cannot tell why it should be, because there is no reason.

Question. You have had every opportunity to know in relation to the wear of the two kinds of shoes, have you not?

Answer. I think I have, as much as most men. I will not say that Mr. Robinson has not had more.

Question. Please to state what you know of Mr. Robinson, as a practical manufacturer and shoemaker.

Answer. He stands as high as any man in Massachusetts.

Question. Do you think his judgment in a matter of this kind would be good?

Answer. I think, as good as that of any man. He has had as much experience as any man; perhaps there is hardly a man who has had as much. He has probably been in the business for thirty-five years.

Question. Is it not a great advantage which the pegged shoe has over the sewed, that it will stand wetting and drying?

Answer. Yes, sir; that is so.

Question. And soldiers are very much exposed to that?

Answer. Yes, sir; I suppose so.

Question. What is your judgment, as a shoe manufacturer, as to whether the government could not save a great deal by adopting pegged shoes?

Answer. I have no doubt the government would save an immense sum. I consider that the pegged shoe at \$1 20, is really worth more than the sewed shoe at \$2. It will wear longer, and is worth more to the soldier.

Question. What are the reasons alleged by persons who are in favor of sewed shoes, as regards their superiority over pegged shoes?

Answer. What I have heard remarked here is, that they are limberer, and that the pegs would rough up, whereas the threads would not.

Question. Mr. Gilmore, have you occupied any public position in this State?

Answer. Yes, sir; I have been in the House and have been a member of the State Senate.

OAKES AMES, sworn.

Question. Where do you reside?

Answer. At Easton, Bristol county, Massachusetts.

Question. Please state, if you are a member of the State Council of Massachusetts, and of the committee of the council for the purchase of military supplies?

Answer. I am a counsellor and a member of the military committee of the council.

Question. Has that committee made many purchases?

Answer. Yes, sir; we have purchased all that Massachusetts has had.

Question. Have the committee purchased shoes?

Answer. Yes, sir.

Question. State at what prices.

Answer. We have purchased pegged shoes, from \$1 15 to \$1 25 a pair, and for sewed shoes we have paid about \$1 90 a pair.

Question. You purchased those shoes for the Massachusetts troops, on account of the government?

Answer. Yes, sir; the three years men.

Question. What proportion of sewed shoes have you purchased?

Answer. That I cannot tell you. The first requirements that went, had pegged shoes, when we were informed that the government required sewed shoes and we must have them, or the government would not pay for them.

Question. Did you understand what was the reason for that? Did you hear any complaints in regard to the wear of the pegged shoes?

Answer. None whatever.

Question. What was the opinion of the purchasing committee on behalf of the State?

Answer. Our opinion was that pegged shoes would wear best.

Question. Was it the opinion of the committee that pegged shoes, which cost \$1 25 per pair, would last as long as sewed shoes made of oak tanned leather, which cost \$2 per pair?

Answer. Yes, sir.

Question. What was that opinion of the committee founded upon?

Answer. Well, sir, their own experience and the experience of the people of Massachusetts, nearly all of whom wear that kind.

Question. Living here in Massachusetts, which is the great point for the manufacture of shoes in the United States, if you had been acting for the State without regard to receiving pay from the government of the United States, what kind of purchases would your committee have made?

Answer. We should have bought pegged shoes exclusively.

Question. Had you any information of the reason which controlled the government in refusing to pay for any pegged shoes?

Answer. No, sir; we did not know. Some of the army officers round here said we must make the purchases in accordance with the usages of the government, or that they would not be paid for; that we must adapt our articles to the government standard as nearly as possible.

Question. They gave no reason for it?

Answer. No, sir.

Question. Did they prefer any complaints against the pegged shoes furnished to the Massachusetts regiments?

Answer. No, sir.

Question. Have you heard of any complaints against them?

Answer. No, sir; I think we had no complaints as to the quality of our shoes; we were very particular to get good ones.

Question. State up to what time you ordered pegged shoes to be furnished to the State troops.

Answer. Well, I cannot say, sir, but I think the first five or six regiments we sent off had pegged shoes. We are ordering now for the regiment at Springfield pegged shoes.

Question. If it was a matter for the State, what do you think the saving would be on the number of shoes you have furnished in having pegged shoes instead of sewed shoes?

Answer. Twenty-five per cent. at least.

Question. Would the committee consider that in adopting sewed shoes instead of pegged shoes they were adding that amount to the cost?

Answer. Yes, sir.

Question. Can you state any reason why the government should require sewed shoes—any advantage.

Answer. No, sir; I can see no reason, only the traditions of the fathers; they used to wear sewed shoes. My experience is—and I wear both—that my sewed boots and shoes invariably rip and my pegged shoes never do.

Question. Your own personal experience is in favor of pegged shoes?

Answer. Yes, sir.

Question. As to the ease of the wear, what is your experience?

Answer. I do not see any difference.

Question. Can you furnish us with the amount of pegged shoes and the amount of sewed shoes furnished to the Massachusetts troops by the State, and the amount the State has expended for shoes?

Answer. I can.

The statement above referred to will be found in Appendix "F."

NEW YORK, *August 30, 1861.*

SAMUEL A. HOPKINS was sworn and examined, as follows :

Examination by Mr. Steele.

Question. Please state your place of residence and business.

Answer. I reside in Jersey City, and am engaged in no business now.

Question. What has been your business heretofore?

Answer. I have been engaged in the dry goods trade.

Question. Have you any knowledge whatever in reference to the charter of the steamer Cataline by the government?

Answer. I have not.

Question. Have you any knowledge, directly or indirectly, of any contracts made with the government?

Answer. I suppose I was summoned here in relation to a matter which transpired in Washington, and which I mentioned to Mr. Van Wyck. Mr. Wood, Commissioner of Public Buildings in the city of Washington, said to me, in a conversation, that his salary was of no earthly object to him ; that he would not stay in Washington for his salary if he could not make something outside ; that he had already made three dollars apiece upon a lot of guns sold to the government ; and that he had an opportunity, situated as he was, to operate in that kind of a way every day.

Question. How did you happen to have that conversation with Commissioner Wood?

Answer. I went to Washington with Mr. Ormsby, the proprietor of the New York Bank Note Company, and arrived there seven weeks ago yesterday morning. That was about the 12th day of July. I went there for the purpose of soliciting some of the engraving of the government for his company. I found, upon inquiry at the proper office, that a circular had been issued by the Treasury Department to the National Bank Note Company, and the American Bank Note Company, asking them to submit specimens of Treasury notes and bonds according to accompanying specifications. Then followed a description of what they wanted. We having had no such notice,

of course could not compete with them, and Mr. Ormsby submitted to the Treasury Department, with specimens of his work, and with his recommendations, the statement taken from the New York papers of the arrest, by the marshal, of the officers of those companies, which contained a minute statement of the size of the plates, the number of the plates, for the treasury notes and bonds for the Southern Confederacy, which those companies had been engraving. The parties in Washington who represent those companies there soon learned this fact from some source—how I do not know; but Mr. Gavit, a man who represented the American Bank Note Company, but whom I did not know and had never spoken to, approached me in front of Willard's Hotel, and wanted to know whether my name was Hopkins. I said it was. He said: "You are getting yourself into a scrape, and I hold you responsible for all the slanders which you are circulating in regard to the Bank Note Companies in reference to our engraving and printing southern bonds and treasury notes."

I said: "Gavit, I do not know you at all, and do not feel disposed to have any sort of controversy with one who approaches another in such a way, but if you have any action against me commence as soon as you please." These are the facts, and they have not been denied. The facts are so, and can be proved.

Soon after that Mr. Wood, the Commissioner of Public Buildings and Grounds, came to me and said he wanted to see me, and proposed to take a walk. I consented, and we walked out into the street, went up towards the Treasury building, and sat down upon some flagging stone. He said to me: "I understand you are here with Ormsby, trying to get work from the government in the way of engraving. I want to tell you, as a friend, that there is no use at all of your trying; that the work will be given to the American Bank Note Company and the National Bank Note Company." I replied, "How is that? I have as good a right as anybody." "I will tell you why," he said. "Between you and me, I am interested in the American Bank Note Company myself, and have been at work for them here, and have got things all right; and Dennison, the naval officer of New York, and his friends, F. P. James and William H. Marston, are interested in the National Bank Note Company, and they have got the thing figured all right." I said to Mr. Wood, "Mr. Wood, I don't know how this thing is, but I have been in Washington several times to try to get appointments, or to supply the government with something they wanted, and although I have offered to do or furnish as cheap or cheaper than other parties, I get no kind of attention, and these things are managed in such a way as to shut out men who should have a fair chance. I have come now and brought with me a small steel rifled cannon, of which there are twenty-five in one battery." I gave him a description of the gun. He replied, "I can help you do that; I can put you in the way of doing that. What do you want for them?" I said, "They were built by contract three or four years ago, for the Mexican government, for \$1,175 each, but I am authorized to sell them for \$500 each." Says he, "Well, I can help you in that matter. Say nothing about the price; we can make something out of that. If the government wants them they can as well afford to pay more as less. I will take you down and introduce you to Mr. Leslie,

the chief clerk of the War Department." I said I had as yet been unable to reach anybody in the War Department. I went with Mr. Wood to the hotel, and I was introduced by Mr. Wood to Mr. Leslie. Mr. Leslie said he would give me an order to take the gun down to the arsenal to Major Ramsey and have the gun tested. He did give me an order to take the gun down there and have it fired. Wood proposed, if the thing was all right, to charge \$600 for the guns. He said, "You can just as well do it as not, and I will divide with you all you get over \$500. Other parties have had guns here which they could not do anything with at the War Department, but I put the thing through, and I made three dollars apiece upon them."

Question. What further did he say about not being able to remain for his salary?

Answer. He said "I would not remain here at all for my salary; it is no object with me; I could not support my family if I did not make something outside. I have opportunities almost every day. I have made three dollars each upon a lot of guns."

Question. Did he say how many guns there were?

Answer. I think not.

Question. He said that hardly a day passed by but he had opportunities?

Answer. He said, situated as he was, he had opportunities almost every day these times to get hold of something of that kind.

Question. How long have you known Wood?

Answer. I first knew Wood upon the arrival of the President at the Astor House.

Question. In what capacity was he then acting?

Answer. He had charge of the train which took the President through to Washington.

Question. What had been his business previous to that time?

Answer. I do not know.

Question. Did you become acquainted with him here?

Answer. Slightly. I was on the committee of arrangements at Jersey City, where I live, and that brought me in connexion with him. We furnished a ferry boat to take the party over, and had our depot there decorated. I went with him as far as Trenton on that occasion.

Question. When did you next see him?

Answer. The next was in Washington, about the time of the inauguration.

Question. On the occasion when the conversation took place which you have detailed, did he seek you out, or did you seek him out?

Answer. He sought me out at Willard's Hotel.

Question. You spoke of James & Marston. Who are they?

Answer. They are brokers in this city, and partners, and are interested in the National Bank Note Company.

Question. Do you know them?

Answer. I do not. What I know of them is in connexion with that transaction.

Examination by Mr. Holman.

Question. You spoke of having an interview with Wood sitting upon the stone flaging, and of then going down to see Mr. Leslie; did any time intervene between that conversation and your going down to see Mr. Leslie?

Answer. No, sir; we went directly from there to Willard's Hotel, and there finding Leslie, Wood introduced me to him.

Question. Did he have any talk with Leslie before he introduced you?

Answer. No, sir.

Question. What did Wood say to Leslie?

Answer. He gave me an introduction, and I stated to Leslie what I had there, and that if it was valuable I wanted the government to have it, otherwise not; that I wanted him to give me an order to have it tried. I got an order to take it to the arsenal and have it tried. It was taken down; and Ramsey said whenever we concluded to fire it he would like to be present. We fired it. We shot at a mark which Ramsey said was just a mile from the lower dock; but we were obliged to fire it from the upper dock, which increased the distance about one thousand feet. We fired at a mark eight inches in diameter, and hit it twice out of five times. Mr. Ramsey said it was a good gun, and fired well. Ramsey asked us to elevate the gun, and fire it towards Alexandria, in order to see how far it would carry. We fired it at an elevation of fifteen or twenty degrees, and the shot struck, as Mr. Ramsey said, one and a half or two miles. We elevated it still further, and no one saw the shot strike, and we supposed it had gone ashore; and Mr. Ramsey requested us to quit that, as it might be dangerous. We left, and told Leslie what we had done; and he wrote a note asking Ramsey to inform him of the character of the gun, the range and accuracy of the shot, and the quality of the workmanship. Ramsey wrote to Leslie that he did not belong to the ordnance board, but that as a spectator he had seen this gun fired; that it was remarkable for range and accuracy, but that he considered it too diminutive for service.

Question. You use the word *we*; was Wood with you?

Answer. No, sir.

Question. Did you close the contract with Wood?

Answer. No, sir; I did not have anything to do with the proposition.

Question. He made the proposition to you distinctly that if the gun was good for anything the government could as well pay \$600 as \$500, and that he would divide with you the amount you received over \$500.

Answer. He did.

Question. But you did not accept the proposition at all.

Answer. I did not; for I said all I wanted for the gun was \$500.

Question. What induced him to go with you to Leslie?

Answer. I suppose the object was that he wanted to draw me off entirely from the matter of the engraving. His object, as I thought, in introducing me to Leslie, and of saying that he could aid and assist

me, was, to withdraw me from having anything to do with the engraving.

Question. What became of those engraving contracts?

Answer. Mr. Ormsby came on to Washington a few days after I went on. He had a promise from Harrington for three or four days or more that the question was to be taken up and considered every day, and that we would be heard upon the subject. Three or four days elapsed, and when we did get an interview we were informed by the Secretary of the Treasury that the whole matter had been referred, three or four days before that, to Mr. Cisco to be disposed of. Mr. Ormsby left immediately to come to New York to see Mr. Cisco, but only to learn that the National Bank Note Company, or the American Bank Note Company, or both, had been awarded the contract before we arrived.

Question. Have you seen Wood since?

Answer. I saw him several times in Washington after that.

Question. Did you have any further conversation with him?

Answer. No further conversation with him upon that subject. When Mr. Leslie got that note from Ramsey, seeing that nothing could be done about the gun, I came home.

Question. Did Wood make any inquiry of you as to how you succeeded with the gun?

Answer. I think he did ask me about the firing.

Question. Did he ask you what the government said about the gun?

Answer. I do not think he ever made any inquiry as to the result of the negotiation with the government. He did not seem to have any interest in it.

Question. Did he ever seem to have any further interest in the money he was to divide with you?

Answer. About that time the subject of his confirmation was before the Senate, and he said to me he did not want to have anything to do with that matter at all, as the question of his confirmation was before the Senate, and there were some charges against him, and that he did not want to be mixed up with anything of that kind, at all events not before that matter was settled.

Question. Did he make any allusion in that conversation about his having been engaged in the brokerage of contracts in Washington?

Answer. He did not.

Question. Are there any other matters of that kind which you know anything about?

Answer. None.

SAMUEL A. HOPKINS.

NEW YORK, *September* 28, 1861.

L. D. ABELL, being duly sworn, was examined, as follows:

Examination by Mr. Washburne.

Question. What is your business?

Answer. I am superintendant of all the different United States barracks in and around this city.

Question. What do you know in relation to the encampment at Scarsdale?

Answer. I do not know much about it, never having been there but once.

Question. Do you know what price is paid for rent of the ground?

Answer. I do not.

Question. Do you know what necessity there was of going there to form a camp?

Answer. I do not.

Question. Do you know whether or not the government have places of their own at Fort Schuyler or Willet's Point proper for encampments?

Answer. They have.

Question. Is there at either of these places ground sufficient for an encampment to accommodate as many men as will probably be encamped at Scarsdale?

Answer. Yes, sir.

Question. What advantage has Scarsdale over these other points?

Answer. None.

Question. State whether, in your judgment, it is not a positive disadvantage to have an encampment there?

Answer. Yes, sir, in one particular, the great expense of getting troops there.

Question. Is it much more expensive than it would be to move them to these other points?

Answer. Yes, sir; much more so, but I cannot say what the difference would be.

Question. Are there encampments at Fort Schuyler and Willet's Point?

Answer, Yes, sir.

Question. Is there room at either of those points for the number of men who would probably be sent to Scarsdale?

Answer. Those two places will accommodate 7,000 men comfortably.

Question. How many men are there now?

Answer. We are only starting regiments there now. We have had a thousand men at Willet's Point and the same number at Fort Schuyler.

Question. How many are there at Scarsdale?

Answer. I do not know.

Question. Do you know through whose instrumentality the camp was established at Scarsdale?

Answer. I do not.

Question. Can you see any possible advantage to the government in having that camp there?

Answer. I cannot, as they have sufficient ground in this vicinity.

Question. Who is in command at Scarsdale?

Answer. I do not know. I only went up there once as a matter of courtesy.

Question. What distance is it from this city?

Answer. I should think 25 miles.

Question. Can rations be furnished cheaper at Scarsdale than at Fort Schuyler and Willet's Point?

Answer. No, sir, not so cheap.

Question. Do you take your rations from here to Scarsdale?

Answer. We do not.

Question. Are any advantages possessed by Fort Schuyler and Willet's Point over Scarsdale in the way of keeping troops?

Answer. I should think so. At Scarsdale the troops can get away easily if they are disposed to do so, but they cannot at the other two places.

Question. Ought not that matter to be taken into consideration in the establishment of a camp?

Answer. It should be.

Question. In your judgment, was there any necessity upon the part of the government in renting ground and establishing a camp there?

Answer. I think it was entirely unnecessary, as we have sufficient grounds here belonging to the government for which we should have to pay no rent. A portion of the grounds we occupy we pay no rent for. They were obtained by the feeding contractors without expense to the government.

Question. Do you know through whose instrumentality the camp was established at Searsville?

Answer. I do not.

Question. Can you see any possible advantage to the Government in having that camp there?

Answer. I cannot, as they have no other ground in this vicinity.

Question. Who is in command at Searsville?

Answer. I do not know. I only went up there once as a matter of

curiosity.

Question. What distance is it from this city?

Answer. I should think 25 miles.

Question. Can you be furnished with any information as to the

Fort Schuyler and White's Fort?

Answer. No, sir, not so cheap.

Question. Do you take your soldiers from here to Searsville?

Answer. We do not.

Question. Are any military operations being carried on by Fort Schuyler and White's

Fort at this time over Searsville in the way of keeping troops?

Answer. I should think so. At Searsville the troops can get away

easily if they are disposed to do so, but they cannot at the other two

places.

Question. Ought not that matter to be taken into consideration in

the establishment of a camp?

Answer. It should be.

Question. In your judgment, was there any necessity upon the part

of the Government in sending ground and establishing a camp there?

Answer. I think it was entirely unnecessary, as we have sufficient

grounds here belonging to the Government for which we should have

to pay no rent. A portion of the grounds we occupy we pay no rent

for. They were obtained by the Federal Government without expense

to the Government.

Question. Do you think it is probable that the Indians will be

able to obtain arms and ammunition from the Government?

Answer. I think it is probable that they will be able to obtain

arms and ammunition from the Government.

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able to obtain arms and ammunition from the Government?

Answer. I think it is probable that they will be able to obtain

arms and ammunition from the Government.

NEW YORK, October 8, 1861.

WILLIAM A. HALL, being duly sworn, was examined as follows :

Examination by Mr. Dawes.

Question. State your residence, your business, and your place of business.

Answer. I reside in this city ; my place of business is No. 21 Park Row ; I am a member of the firm of Benedict, Hall & Co., boot, shoe, and leather dealers.

Question. State what contracts you have had with the government for furnishing supplies, of what amount, and of what character.

Answer. We have had one contract with Colonel Thomas, of Philadelphia, through Colonel Cummings, for 75,000 pairs of army sewed brogans. We have had two contracts, of 75,000 pairs each, with Colonel Crossman, the successor of Colonel Thomas, and quartermaster at Philadelphia ; and we have sold to Colonel Vinton, quartermaster in New York, at sundry times, various amounts, but I do not know the number of pairs. The amount is not far from \$258,000 up to this time.

Question. What kinds of shoes ?

Answer. Army sewed bootees.

Question. This comprises the amount of your dealings with the government.

Answer. Yes, sir.

Question. At what price did you sell the shoes to the government, in the order of your contracts ?

Answer. Under my first contract, through Cummings, at \$2 20 each pair.

Question. Were any of these contracts obtained upon advertisement for proposals ?

Answer. None of them.

Question. How did you obtain that contract through Mr. Cummings ?

Answer. I made Mr. Cummings's acquaintance in 1856, during the campaign of that year, in his frequent visits to New York. From that time to the present I have known him. He came here, perhaps eighteen months ago, to establish, with other gentlemen, a newspaper called the "World." He passed our store three or four times a day, and we were in the habit of seeing him frequently along about the 19th of April. A few days subsequent to that we understood that Colonel Cummings had a large sum of money placed in his hands, for the government, to purchase supplies for the army, and to make such use of it as he and other gentlemen saw fit. A few days after that I

met him, and asked if he had any shoes to purchase. He said he had not, but that if he had any occasion to make such purchases he would call upon us. A few days subsequent to that I met him again, and he said he was told that the government was very much in want of shoes at the arsenal at Philadelphia; that he did not know how it was, but that if I would go over to Philadelphia perhaps I could get a contract. I asked him, when he went over there, to make an inquiry. He said he would do so with pleasure. He then asked me at what price I would make them. I told him I really did not know how low I could make them. I told him to have them send me a sample of their shoes, or I would send by express to Colonel Thomas, the then quartermaster, a sample of ours, and when he saw Colonel Thomas he could talk with him about it. We sent three or four pairs to Colonel Thomas, writing at the same time that Mr. Cummings would call and see him, and find out what price they would pay for shoes like the sample we had sent by express. While in Philadelphia, Mr. Cummings telegraphed to us to know what we would make them for. We answered that we would make them for what they cost at the army arsenal at Philadelphia, but that we would not take a contract to make a large quantity at that price. A day or two after he returned, and said he had got a contract for 75,000 pairs at regulation prices—the army prices—which was \$2 20 a pair.

Question. When did you complete that contract?

Answer. Our agreement was to deliver 500 pairs each day after the 20th of June, and we filled the contract, I should say, three weeks ago—in about half the time we had to do it in.

Question. Then you made another contract with Colonel Crossman, the successor of Colonel Thomas?

Answer. Yes, sir.

Question. When did you make that contract?

Answer. About four weeks ago.

Question. Through whose agency?

Answer. I went directly to him.

Question. Through any other agency?

Answer. No, sir.

Question. At what price?

Answer. At \$2 a pair.

Question. Were all your shoes to be made of oak-tanned leather?

Answer. Yes, sir.

Question. At what price did you sell shoes to Colonel Vinton?

Answer. For \$2, with the exception of a very few shoes made of hemlock-tanned leather; I sold those for \$1 85 each; and we also sold a few inferior shoes for \$1 95 each.

Question. How many did you sell him?

Answer. 25,000 pairs.

Question. Of whom did you obtain those?

Answer. A portion of them from C. D. & E. Bigelow, of New York; some of them were purchased of a man near Boston.

Question. How did you compensate Mr. Cummings for his efforts in getting you the contract?

Answer. In no way, directly or indirectly; I presume he felt under

some slight obligation to me or to my firm, growing out of his living in the block near me, and his frequently coming in and borrowing \$500 or \$1,000 for a day or two.

Question. Has he ever, directly or indirectly, received any compensation?

Answer. No, sir.

Question. Has he always repaid the money he borrowed?

Answer. Always.

Question. Is there any implied understanding between you as to compensation?

Answer. No, sir.

Question. Have you had the influence of any one else to help you obtain contracts?

Answer. No, sir; perhaps I should say that I made an offer to Colonel Cummings of a hundred dollars for expenses in going to Philadelphia, but he declined to receive it, saying that it had cost him nothing; that he did what he did as a friend who was under obligations to us.

Question. Do you deal in pegged shoes?

Answer. Yes, sir.

Question. In pegged shoes of the character furnished to the army?

Answer. Yes, sir; and perhaps we have made a hundred thousand pairs during this season.

Question. What is your opinion as to the comparative value of pegged and sewed shoes equally well manufactured?

Answer. I think a pegged shoe which cost \$1 37½ cents would be a shoe which would wear somewhat longer than the army standard sewed shoe, which cannot be made for less than about \$2.

Question. Why does the government insist upon using sewed shoes?

Answer. I have presented that subject to General Meigs, to Colonel Thomas, and to Colonel Vinton here in New York; they have said they had no doubt the pegged brogan might be made which would be of equal service with the army standard shoe; but that the regular army had never known any other shoe than the sewed brogan, and it would be impossible to change the regulation shoe.

Question. What difficulty do you see in the way of making the change?

Answer. I see not the slightest difficulty. Several of the army officers said they had enough of pegged shoes during the Mexican war. I inquired about the experience there; they said the shoes came to them in Mexico shipped in whiskey casks; that they were left out in the air a long while, and they found the pegs shrunk, and that the shoes came to pieces easily; also that the pegs came through the in-sole and into the feet of the soldiers. I have no doubt that was in consequence of purchasing cheap shoes, such as hod-carriers expect to last three or four weeks; a shoe, such as nine-tenths of the whole male population of New England, New York, and Pennsylvania wear, could be made for \$1 37½, which would do better service than the best shoe made by the government at its own shop in Philadelphia, at the Schuylkill arsenal.

Question. How would they be in reference to ease to the foot?

Answer. They would be equally easy. There is no difficulty on that score.

Question. Give the committee your opinion in reference to the comparative value of hemlock and oak tanned leather.

Answer. I have seen hemlock-tanned leather made in the immediate vicinity of your home (referring to Mr. Dawes) equal to any oak-tanned leather I have seen anywhere, both as to service and pliability.

Question. What is the difference in the market price of the two articles?

Answer. At this time, and for the last four months, I should think it from four to seven cents a foot. The oak cost the most.

Question. Have you had any communication whatever with any politicians upon the subject of aiding you in getting you these contracts?

Answer. I do not recollect that I have.

Question. Have you had any letters, or carried any letters addressed to any of these officers in your behalf?

Answer. No, sir.

Question. Have any of them gone with you to obtain contracts?

Answer. No, sir; further than that Governor Seward or Thurlow Weed introduced me to General Meigs, saying that I represented a firm engaged in making shoes.

Question. Has anything else been said by them, or either of them, in your favor to your knowledge?

Answer. No, sir.

Question. Do you know whether Weed said anything in your favor during your absence?

Answer. I have no reason to suppose he ever did. I never asked him to do so, and I never heard that he did.

Question. Have you ever purchased any shoes which had been rejected by Col. Vinton here?

Answer. No, sir. On the contrary, he has purchased shoes which we had rejected.

Question. Have any shoes once rejected by him ever reached the government service through you?

Answer. No, sir.

Examination by Mr. Steele.

Question. I understand you to say that some army officers objected to pegged shoes on account of the pegs coming through and hurting the feet of the soldiers. Cannot that difficulty be remedied?

Answer. Yes, sir; either by putting in an inner sole, or otherwise. I wear a pegged shoe half a year instead of a sewed shoe.

Question. Where shoes are exposed to changes from wet to dry frequently, is not a pegged shoe preferable to a sewed one?

Answer. I should think so. My impression is, that for wet service, for mud, and for hard service generally, a pegged shoe is decidedly the best. I think the regulation shoe should be changed.

Question. Do you refer to such service as you know army shoes are now exposed to?

Answer. I do.

Question. The difference in expense would be about 30 per cent.?

Answer. More than that. There would be a saving to the government of about one dollar each pair, taking shoes and cavalry boots together. I have made an estimate several times that the government would probably save three millions of dollars had the government adopted the pegged in place of the sewed shoe.

Question. Have you any means of knowing the number of shoes furnished to the department monthly?

Answer. No, sir; I think the government have purchased, in addition to those made at their own manufactory at Philadelphia, about 1,200,000 pairs of sewed shoes; and I am told that they have purchased about 100,000 pairs of pegged shoes. But this last-mentioned purchase was made before they could get the sewed shoes.

Question. Were the soldiers from the State of New York, before they were mustered into the service of the United States, furnished with pegged shoes?

Answer. Yes, sir.

Question. Have you heard anything about those shoes since they went into the service?

Answer. Yes, sir, repeatedly; Governor Morgan told me himself that, upon making inquiries during his two recent visits to Washington to make a personal examination of the New York regiments, he found that the shoes had given entire satisfaction; that the shoes were not worn out, and that they were a very comfortable and easy shoe. I have frequently asked returned volunteers in New York who I knew had used the pegged shoe, and they have said they were not uncomfortable to the feet. I have also seen them, after three months' service, not worn out.

Question. How long is the army shoe expected to wear in the rough service of the camp?

Answer. The army allowance is four pairs a year.

Question. But that was during a time of peace.

Answer. Yes, sir.

Question. Is not a greater allowance made now?

Answer. No, sir.

Question. Are not the shoes subjected to harder service now?

Answer. I should think so.

Question. What per cent. do you suppose would be saved to the government by substituting pegged work for sewed work?

Answer. I should say the army standard shoe cannot be made for less than \$2 20 each pair, while \$1 37½ would give the very best article of pegged shoe which could be made.

NEW YORK, October 8, 1861.

STEPHEN HYATT, being duly sworn, was examined as follows :

Examination by Mr. Dawes.

Question. Please state your residence and business.

Answer. I reside in this city, and am engaged in the boot and shoe business.

Question. Have you had any contract with the government for furnishing boots and shoes or other materials?

Answer. Yes, sir.

Question. What was it?

Answer. I sold directly to the government here in New York, through Colonel Vinton, 20,000 pairs of army shoes.

Question. When was that?

Answer. Last July.

Question. At what price?

Answer. At two dollars a pair, according to sample.

Question. Who negotiated the contract with you?

Answer. Colonel Vinton.

Question. Any other person?

Answer. No, sir.

Question. Were you personally acquainted with Colonel Vinton?

Answer. No, sir; I went to him with samples of goods, and then became acquainted with him.

Question. Did you have any letters of introduction to him?

Answer. No, sir.

Question. Is that the only contract you have?

Answer. No, sir; I have a contract now with Colonel Vinton to make cavalry boots.

Question. How large is the contract?

Answer. It is for 6,000 pairs.

Question. When are they to be delivered?

Answer. I do not remember the exact dates. They are to be delivered in instalments. The first 1,000 pairs were to be delivered in thirty days, and all of them within sixty days.

Question. At what price?

Answer. At \$3 25 a pair.

Question. Was that contract obtained on published proposals?

Answer. No, sir. I went to Colonel Vinton myself, showed him samples, and got the contract. I put in proposals for army shoes under the advertisement, but my price was higher than that of others and I did not get a contract. I never saw any advertisement for cavalry boots.

Question. Have you any other contract?

Answer. Not with this officer. I have a contract in Philadelphia with Colonel Crossman.

Question. What is it.

Answer. I furnished him a lot of army shoes, according to sample, and delivered them. A part of them were pegged instead of sewed shoes.

Question. At what price did you sell them?

Answer. At \$1 30 for pegged shoes and \$2 for sewed shoes.

Question. How many were there?

Answer. 20,000 pairs of pegged and 10,000 pairs of sewed shoes. They all have been delivered, but I have not yet got my pay.

Question. At what time was this contract made?

Answer. I think it was about a month ago that we sold the goods.

Question. Is the government using much pegged work now?

Answer. They are not; but at that time they were short of sewed shoes, and they bought a lot of pegged work. General Meigs afterwards gave directions not to buy any more pegged work.

Question. Was any reason given for such instructions?

Answer. They thought they could get sewed ones.

Question. Have you had experience in the matter of pegged and sewed shoes?

Answer. Yes, sir; all my life.

Question. What is your opinion of the comparative merits of the two kinds?

Answer. I think pegged shoes, properly made, are cheaper for the government than sewed shoes, but you cannot make army officers believe it.

Question. Do you think the pegged shoe, independent of price, is just as good as the sewed shoe?

Answer. I think it is as good for wear, and it costs the government less money. A pegged shoe can be made for \$1 30 equally as good as a sewed shoe which costs \$2.

Question. What reason does the government give for not adopting the pegged shoe, if there is that difference?

Answer. They gave as a reason that they are not as easy for the soldiers. The reason I gave in favor of adopting the pegged shoe was that I supposed forty-nine out of fifty of the soldiers in the field have been accustomed to use pegged shoes.

Question. Have you given me the extent of your contracts with the government?

Answer. No, sir; I am now making shoes for the government.

Question. How many?

Answer. I am making 50,000 pairs of army regulation sewed brogans, sizes to match.

Question. Did you get that contract upon advertisement for proposals, or on private contract?

Answer. On private contract.

Question. With whom?

Answer. With Colonel Crossman. He gave the contract to me last week. The government was short of shoes of particular sizes. I have not taken a contract for those army regulation shoes for less than \$2 per pair.

Question. Are they made of oak-tanned leather?

Answer. Yes, sir.

Question. What is your opinion of the comparative value of oak-tanned and hemlock-tanned leather?

Answer. I think the oak-tanned is just as good as the hemlock-tanned leather.

Question. What is the difference in the market price of the two articles?

Answer. The difference is between five and six cents per foot. I suppose the army regulation shoe made of hemlock-tanned leather will cost twenty-five cents less than one made of oak-tanned leather, and is just as good.

Question. Have you had the aid of anybody outside in obtaining this contract?

Answer. No, sir. We are the largest house in our business in this city, and I suppose the reason why we have not done more is that we have not availed ourselves of outside influence.

Question. You never paid, or promised to pay, anybody for any influence?

Answer. Never. I have had nothing whatever to do with politicians.

Question. Is that true of all of your firm as well as of yourself?

Answer. Nobody has had anything to do with the business but myself.

Question. And none of these State politicians have had anything to do with it?

Answer. Not at all.

Question. Had any of them, at the time, any knowledge of your obtaining the contract?

Answer. Not that I am aware of.

NEW YORK, October 8, 1861.

JOHN E. DEVELIN, being duly sworn, was examined as follows:

Examination by Mr. Dawes.

Question. Do you know who gave Captain Phillips, of the steamer Cataline, at the time she was loaded here, just previous to her going into the government service, directions in reference to her cargo?

Answer. I cannot say that I do.

Question. Did you give him any directions?

Answer. Not that I recollect.

Question. Did you give him any directions as to how much cargo to take on, or how much not to take on?

Answer. No, sir.

Question. Did you give him any directions in reference to taking cattle on board?

Answer. I think he spoke to me something about cattle going on board, but that was rather information to me than directions from me. I think I suggested to him that, as he was going seaward, he had better take light freight rather than dead freight—that is, dead freight, such as iron and lead, which are very heavy and of small bulk.

Question. Did you know the fact that he did take cattle on board?

Answer. I do not know the fact, but I believe he did.

Question. Do you know where the cattle were obtained?

Answer. No, sir.

Question. Or through whom?

Answer. No, sir.

Question. Do you know that he took some coffee on board?

Answer. No, sir.

Question. Do you know where the goods which went on board were obtained?

Answer. I do not, except those which belonged to the ship itself.

Question. I speak of goods exclusive of those which belonged to the furnishers of the ship.

Answer. I do not know from whom they came, nor do I know anything about them.

Question. Have you any knowledge whatever of the ownership of those goods at the time they were put on board?

Answer. No, sir; I supposed they belonged to the United States.

Question. What led you to suppose that?

Answer. Because the vessel was chartered by the government.

Question. Were there any stores on board the vessel when she was chartered by the government, except those which belonged to the furnishers of the vessel?

Answer. I think there were not.

Question. To what point on the North river was the boat brought around from where Mr. Corlies had her?

Answer. I do not recollect the number of the pier.

Question. Was that before or after she was chartered to the government?

Answer. My impression is that she was delivered there immediately after her purchase. She was purchased before she was chartered, and I think Corlies delivered her on the North river.

Question. For what purpose was she delivered there?

Answer. I do not know any reason for it.

Question. Do you not know that after she was delivered at that point, and before she was chartered by the government, she was partially loaded?

Answer. No, sir; I do not know that fact.

Question. I mean before there was an understanding between you and the government that the government would charter her.

Answer. I cannot answer that question. I went on board the vessel, in the North river, the day the boat was purchased, or the day after, and there were some things either on board or being sent on board from the dock, I do not know which.

Question. But that was before you delivered her to the government?

Answer. I cannot say whether it was or not.

Question. You made your proposition to the government in the evening at the Astor House?

Answer. No, sir; I think I wrote the proposition early in the morning.

Question. Had you been down on board the boat before you wrote the proposition?

Answer. I cannot say whether I had or not. I was only down there once, but whether it was before or after that I cannot say, nor have I any impression about the matter.

Question. Whence could the government stores possibly have got into that ship if they did not come from the commissary department or the quartermaster's department in this city?

Answer. I cannot say.

Question. Do you know any source from whence they could come?

Answer. I supposed they came from the commissary department, and still suppose so.

Question. Can you tell me any other source from whence the government could obtain the stores in this city?

Answer. I cannot.

Question. You cannot tell whether you saw the vessel in the North river before you chartered her to the government or afterwards?

Answer. I cannot tell which event occurred first. I know I went down there a little while about 10 or 11 o'clock in the morning, but I cannot tell whether it was before or after the proposition was made to charter the vessel to the government.

Question. How long was it after that, if it was after?

Answer. The same day or the day after. If my recollection serves me right, the vessel must have been chartered within three or four days after she was purchased.

Question. Do you know of a particle of the property, except ship stores, which went on board of that vessel which did not belong to the United States when it went on board?

Answer. No, sir; I do not know who it belonged to, but I suppose it belonged to the United States when it went on board. I do not know that it belonged to the United States, but I suppose it did from the fact that the vessel was chartered by the United States.

Question. Can you tell me through what agency the cargo got on board the vessel?

Answer. No, sir.

Question. Can you tell me of a single carman who took a single pound of it?

Answer. No, sir.

Question. Have you any means of furnishing the committee any light upon that subject?

Answer. No, sir.

Question. Do you know anybody who does know anything about it?

Answer. I do not.

Question. Do you know anybody occupying such a position to the government or to the shipping of this port as to be likely to know from whom a single truck load of that cargo came upon the vessel?

Answer. No, sir ; no further than I have stated, unless, perhaps, Mr. Freeman or Captain Phillips might know.

Question. Did you not know all that Mr. Freeman knew about the boat ?

Answer. I suppose I did ; but I cannot tell you of a pound of the articles which went on board that vessel, with the exception, perhaps, of a few barrels which I saw upon the dock, or going from the dock upon her. The only information I have is that Captain Phillips said he took a cargo down to Annapolis. It is only from that that I am aware that anything was on board of the vessel beyond the few barrels which I saw.

Question. You gave Captain Phillips letters of instruction ?

Answer. I think not. I gave letters of instruction to Larkin.

Question. Do you recollect that you did not give letters of instruction to Captain Phillips ?

Answer. I do not remember, but my impression is very strong that I did not.

Question. What special interest had you in directing the ship's loading if she was chartered to the government ?

Answer. I gave no such directions.

Question. What occasion had you to have anybody aboard the vessel to give directions if she was under charter to the government ?

Answer. For the reason that I supposed that there might be passengers carried from Perryville to Annapolis, and I gave to Larkin, as clerk of the boat, instructions how to treat people on board. If there were any such persons who did not belong to the government, to charge them with fare ; and if government officers wanted meals, to give them good meals, and not charge an exorbitant price.

Question. To whom was Larkin to account for the fare received ?

Answer. To the owners of the boat.

Question. Did the charter party permit the owners of the boat to carry passengers and charge fare ?

Answer. I do not understand that the strict letter of the charter party authorized the carrying of passengers, but I understood that if they did go on board it was fair to charge them fare ; and then in regard to feeding any officials of the United States who might be on board at any time, I said that that was not a thing within the charter, and if they were fed they should be charged a proper price for their meals.

Question. But the passengers' fare you considered a sort of perquisite ?

Answer. No, sir ; I do not know that I did.

Question. Did Larkin ever render an account to you ?

Answer. No, sir ; I do not think he ever carried any passengers.

Question. Do you know what disposition was made of the cargo when it arrived at Annapolis ?

Answer. No, sir.

Question. Do you know of anybody here who has received any compensation for the cargo or any part of it ?

Answer. No, sir ; I am entirely ignorant of that matter.

Question. Can you give the committee any reason why it is that the ownership of that cargo is kept a mystery?

Answer. No, sir; I did not know that it was a mystery until now.

Question. Can you give the committee any means of tracing that cargo to its original owners?

Answer. No, sir; I suppose Captain Phillips would be as likely to know as any one.

Question. Is there anything in the ordinary transaction of loading a vessel at the wharf here which renders it usually difficult to ascertain who are the owners of the cargo?

Answer. I should think not. If I wanted to find out who owned a cargo put on board a vessel, I should find out who the carman was, and from him I could find out who the owner was.

Question. Is there any difficulty in finding out who is the owner of a cargo, unless there is an effort made to keep the matter secret?

Answer. I think there would be none at the time; but if the inquiry was made six months after the vessel sailed, there might be difficulty in finding out.

Question. Is there any difficulty, except the lapse of time, which renders it difficult to ascertain the ownership of freight which goes on board a ship?

Answer. I should think not. Lapse of time would render it difficult to ascertain the names of the carmen, or other persons who might take a cargo to a vessel.

Question. Is there any other way of ascertaining who is the owner of freight going on board a ship except by ascertaining the name of the carman who took it there?

Answer. I should think there ought to be.

Question. Is there anything kept on board a vessel which would indicate who is the owner of the cargo.

Answer. There is on vessels going to a foreign port—the consignee.

Question. When a ship takes on board loading at the wharf I desire to know whether from necessity there is not on board the ship some record of the ownership of the cargo.

Answer. I should think not; I should think there would be on board a ship only knowledge as to whom the cargo was consigned to.

Question. So far as your knowledge is concerned, is it not usual to have some record of the matter somewhere?

Answer. I do not know anything about the matter.

Question. Do you know whether the vessel Cataline, or its owners or agents, received any compensation from any source except from the government after she left the wharf here.

Answer. I do not know of any, nor am I informed of any.

Question. Have you any knowledge upon the subject?

Answer. No, sir; I do not believe they received any.

Question. Do you know of any, claim which either the owners or the agents of the Cataline have upon anybody?

Answer. So far as I know, they have no claim upon anybody except against the insurance companies and against the government for charter money yet unpaid.

Question. Had you not occasion to inquire or ascertain who was the actual owner of the freight when it went aboard the vessel?

Answer. No, sir; none whatever.

Examination by Mr. Steele.

Question. About the time you chartered this ship to the government, did you have any conversation with any parties at the Astor House as to the freight of the vessel?

Answer. None whatever.

Question. Did you ever hear Mr. Davidson, of Albany, say anything about the freight of the Cataline?

Answer. Not a word.

Question. Or any other person?

Answer. No, sir.

Question. The kind of freight to be taken upon her was not mentioned to you when she was chartered.

Answer. No, sir; I now think that I must have gone upon board the vessel after she was chartered to the government, because I remembered that the captain said something to me about putting up stalls for the cattle, and about the obligation of the government to pay for them because they were an extra expense.

Question. You having chartered the vessel to the government, was it a matter of indifference to you what kind of freight was put on board?

Answer. Entirely so, except that I preferred light to heavy freight.

Question. Did the captain report to you from time to time how much loading he had on board?

Answer. No, sir.

Question. Did you give him a limit beyond which he was not to go?

Answer. No, sir.

Question. Did you exercise any authority over the loading of the vessel?

Answer. No, sir.

Question. Or give Captain Phillips any directions in reference to the matter?

Answer. None whatever.

Question. Then you left the whole matter to his discretion.

Answer. I left it to the discretion of the charterers; it was the same as if we had given you a vessel for 30 or 90 days and left you to do as you pleased with her.

Question. Did you ever have any conversation with Alexander Cummings about the purchase of supplies in this city?

Answer. Never.

Question. Were you acquainted with Mr. Humphrey, Mr. Cummings's clerk?

Answer. Yes, sir.

Question. Did you hear him say anything about the purchase of the goods, or the places where they were made?

Answer. No, sir.

Question. Where does Mr. Humphrey live?

Answer. In Albany.

Question. What was his business before he was engaged with Mr. Cummings?

Answer. I do not know.

Question. Is he a son of Friend Humphrey?

Answer. I do not know.

Question. You knew of his acting as clerk to Mr. Cummings at that time.

Answer. I cannot say that I did; I saw a good deal of him at the Astor House in May and June, but why he was there and what he was doing I did not know.

ST. LOUIS, Mo., Oct. 16, 1861.

GILES F. FILLEY, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State to the committee your residence and the character of your business.

Answer. I reside in this city, and am engaged in the manufacture of stoves.

Question. Have you had any contract with the government for furnishing articles of any kind for the army?

Answer. We are furnishing the Benton barracks with stoves; not under regular contract, but through orders of the quartermaster. We are also furnishing stoves for various departments—for the hospital, and for other barracks.

Question. Are those articles furnished by you directly to the quartermaster, or through another party?

Answer. Directly through the quartermaster.

Question. How recently have you been engaged in this matter of furnishing stoves?

Answer. I am furnishing them now; I also furnished stoves for the arsenals and for the different hospitals, through the summer, as regiments arrived here.

Question. Have you furnished stoves, or any other articles which have gone to the use of the government, through third parties?

Answer. Yes, sir. We have a contract now with third parties for camp kettles and mess-pans—that is, we have orders for them.

Question. State everything connected with that matter.

Answer. About two months since, I should think, the house of Child, Pratt & Fox came to me for the purpose of getting camp-kettles and mess-pans, articles which are manufactured by us. Fox came to me and first said, "charge them directly to the government." He then said, "charge them to us." Afterwards he said, "I do not know, but you may as well charge them to the government." Finally he said, "as the government is ordering these things from us, charge

them over to us." Of course we did so without knowing what they charged for them. We made them without charging much profit, supposing that they charged the government only what we charged them.

Question. State at what price you made them.

Answer. We made them by the pound, while they charged them to the government by the piece.

Question. How much did you charge them?

Answer. We charged about $13\frac{1}{2}$ cents per pound for the kettles and $15\frac{1}{2}$ cents for the mess-pans. Those prices equal about $42\frac{1}{2}$ cents each for the camp-kettles and $27\frac{1}{2}$ cents each for the mess-pans, on an average. I understand that this house charges the government 65 cents for the camp-kettles and 35 cents for the mess-pans. We subsequently sent a letter to the quartermaster's department, of which the following is a copy:

"ST. LOUIS, *September* 18, 1861.

"DEAR SIR: I learned this morning that you would shortly need a large number of camp-kettles and mess-pans. If they are to be the same size and weight as those now made for the army, which are of the best quality of charcoal sheet iron—No. 26 wire gauge—I will furnish them at the following prices, provided the order is given for, say, 2,000 camp-kettles and 5,000 mess-pans:

"Camp-kettles, at $42\frac{1}{2}$ cents each.

"Mess-pans, at $27\frac{1}{2}$ cents each.

"Respectfully yours,

"GILES F. FILLEY,
"By BELL.

"General J. McKINSTRY."

To that letter I received a reply, of which the following is a copy:

"OFFICE A. Q. M. GENERAL, WESTERN DEPARTMENT,

"*St. Louis, September* 18, 1861.

"SIR: In reply to your offer to furnish "camp-kettles" and "mess-pans," this department is not in want of any at this time.

"Respectfully,

"J. McKINSTRY,

"A. Q. M. General.

"H. W. G. CLEMENTS,

"Chief Clerk.

"Mr. GILES F. FILLEY,

"*St. Louis, Missouri.*"

Since that correspondence took place I have supplied to the house of Child, Pratt & Fox 800 camp-kettles and 1,300 mess-pans, and have further orders from the same house for 3,560 pans and 1,384 kettles.

Question. Then I suppose it follows that this house had its contract with the government to furnish those articles previous to your furnishing them.

Answer. I understand they did not have a special contract, but they had an open order to furnish everything.

Question. Was that house engaged in the manufacture of those articles?

Answer. No, sir.

Question. Then what reason, if any, can you give why they should have been ordered to furnish them?

Answer. Well, sir, I suppose that McKinsty, the quartermaster, owed his appointment as much to Fox as to anybody.

Question. How many of those articles have you furnished to Child, Pratt & Fox?

Answer. In amount, to over \$4,000 worth.

Question. Upon those you have furnished, what is the difference in cost to the government between what you proposed to furnish them for and what you understand they actually paid for them to Child, Pratt & Fox?

Answer. Taking into consideration the difference between the Missouri money which we received and treasury notes which the government pays, as well as the difference in price, and it would be over 50 per cent.—about 55 per cent.

Question. Do you know any reason, other than that you have already stated, why these articles should have been purchased of the house of Child, Pratt & Fox, instead of directly from the manufacturer, at the reduced price?

Answer. No, sir; except that Mr. Fox has been very intimate with the quartermaster.

Question. Has it or has it not been a net loss to the government of that difference in price?

Answer. Yes, sir.

Question. State whether you were prepared to do and could have done the work which you proposed, and at the prices you proposed.

Answer. We have actually done it for Messrs. Child, Pratt & Fox.

Question. Do you know of any other contract which this house has made with any other parties for other articles?

Answer. They have a similar arrangement with my brother, in reference to articles which he manufactures.

Question. What articles are they?

Answer. Tin plates and cups.

Examination by Mr. Dawes.

Question. What is the business of this firm of Child, Pratt & Fox?

Answer. General hardware business.

Question. Have they any practical knowledge of the value in the market of the goods which you furnished?

Answer. Not as manufacturers.

Question. Was your house the only house in St. Louis which furnished such articles?

Answer. No, sir.

Question. Were there many such houses?

Answer. There were several. That house got a great many mess-pans made beyond what we furnished.

Question. Would your own offer to the quartermaster vary much from what those articles could have been obtained for from other houses?

Answer. They could have been obtained of other houses at about the same price.

Question. Was it a matter of any difficulty for the government to ascertain the market value of those articles?

Answer. Not at all.

Question. Could anybody of ordinary business capacity, employed to purchase for the army those goods, have found out without difficulty the lowest price they could have been purchased for?

Answer. Yes, sir.

Question. Would there have been any practical difficulty in the government dealing directly with the manufacturer and thereby obtaining the articles at the lowest price?

Answer. None whatever. Of course there was a good deal of feeling about a lot of Californians coming into the city and getting contracts. Fox came to me one morning and asked me if I wanted to take a contract for making 20,000 tons of shot and shells for the government. He stated that there were two parties here who had the means of obtaining the contract from the government—as I understood, from General Frémont. I told him I could make them, but that I would not make them for any third party; that if the government wanted shot and shell I understood it was their duty to contract with me, a manufacturer, for them; that I had already made a proposition to the government to give them the use of my foundry if they wanted it, or that I would myself make them at a small margin above the actual cost, to cover contingencies; and that under those circumstances I could not offer to make them for a third party. He said it did not make any difference with me how I got the contract, provided only I got it. I replied that it did. I have since understood that the contract has been made, and that it has gone to the Ohio river; where and to whom I do not know.

Question. To whom did you make the offer to furnish your foundry?

Answer. I sent a note directly to General Frémont.

Question. What was the substance of the note?

Answer. The substance of the offer was that if the government wanted my foundry to make shot and shell it was at their service; or if they wished me to make shot and shell for them, I would make them for a small advance above the cost, to cover contingent expenses.

Question. Did you get any reply?

Answer. No, sir.

Question. How long after this did Fox come to you with the proposition you have just stated?

Answer. I should judge it was two or three weeks.

Question. How long was it after Fox made the proposition to you; was it before you heard that the contract had gone somewhere up the Ohio river?

Answer. I should suppose that, also, was two or three weeks. That was a rumor I heard upon the street, but I know nothing about it of my own knowledge. A gentleman named Harrison told me that

a man by the name of Burrett had applied to him for the iron with which to make them.

Question. Do you know the terms upon which this contract was taken?

Answer. I heard upon the street that it was at five cents per pound.

Question. How would five cents a pound differ from your own offer?

Answer. About two cents, I suppose.

Question. You think the offer you made to the government, either to make them themselves in your foundery or employ you to make them at the price you offered, would be a difference in favor of the government of at least two cents a pound?

Answer. I should judge so.

Question. And you have understood that contract has been let for five cents?

Answer. I do not say that from my own knowledge, but that is the rumor, and it would make a difference upon 20,000 tons of \$800,000. When Mr. Fox left me he stated that these two parties were waiting at his store while he was getting his answer from me as to the price for which I would make them.

Question. Who were the parties he left at his store?

Answer. One was Selover, and I think the other was Haskell.

Question. You told Fox that if you did any work at all it must be directly for the government, and not for third parties, who would come in and speculate upon the government?

Answer. Yes, sir.

Question. What else took place?

Answer. That was the last of it between us.

Question. Have you had any further transactions with Fox?

Answer. No, sir.

Question. Do you know anything further in reference to this matter?

Answer. Nothing beyond what I have heard.

Question. Do you know anything in relation to the roofing of the barracks at Camp Benton; and if so, state all you know in relation thereto?

Answer. When I learned that this roofing was to be put on I sent for a friend of mine, John B. Cristy, who follows the business of roofing, and induced him to put in a proposition for the work—that is, for putting on a roof of tarred paper and sand. Since the contract was given out I have seen the proposition he made to Major McKinstry, or his agent, Mr. Ogden. Ogden was the architect. Cristy put in a proposition for three or four qualities. He afterwards ascertained that the government had entered into a contract with a man by the name of Almon Thomson, for a dollar a square of 100 feet more than his offer for the same work, and that this Thomson underlet the work to another party and made a dollar on a square of each 100 feet, on the job.

Question. The man you sent made a proposition to do the work for a given price?

Answer. Yes, sir; for \$3 50 a square of 100 feet, but it was not accepted. Afterwards a contract was made with Thomson at \$4 50, and he sublet it at \$3 50.

Question. Do you know anything further in reference to contracts with the government?

Answer. When I heard that the Benton barracks were to be erected, William Patrick, a lumber dealer, although he had not the kind of lumber the government wanted, offered to furnish the government, by charging three per cent. commission, the lumber for the barracks. But McKinstry could not entertain a project of that kind, but bought the lumber for from fifty cents to one dollar a thousand more than what he could have furnished it for.

St. Louis, *October* 17, 1861.

LEMUEL D. ROBERTS, being duly sworn, was examined as follows:

Question. State your residence and business.

Answer. I reside in St. Louis and am a salesman of O. D. Filley, who is a tin plate dealer.

Question. Do you know of any transactions for supplying the government with any articles?

Answer. Not personally. We have sold the government, upon requisitions of the quartermaster, a few articles, but we never had any contract.

Question. Do you know of any persons who have furnished to the government articles in your line, and if so, who, and at what price.

Answer. I know only from hearsay. I have no personal knowledge of what others have charged the government for anything in our line. We have sold to other parties who have supplied the government.

Question. Who are those parties to whom you have sold?

Answer. We have furnished the firm of Child, Pratt & Fox more than any other parties. We have sold sutlers a good deal. I do not know that we have sold to any house but that one who are supplying the government.

Question. What articles have you sold to that house?

Answer. We have sold tin plates and cups and camp-kettles and mess-pans.

Question. At what price?

Answer. We sold the plates for fifty-five cents a dozen, and cups at forty-one cents a dozen. If a merchant had come in to purchase the same articles our prices would have been more than that. When they first started at the arsenal we sent to the arsenal 2,500 cups and plates. The camp-kettles and mess-pans which went to the arsenal went upon the requisition of Major McKinstry; but we had no requisition for the cups and plates. At the time the Home Guards were first enlisted there was no regular military organization, and they went to the arsenal and took up quarters; and they, of course, must have something to eat and something to eat with. McKinstry intimated to us that we should keep an account of the cups we supplied, and that some day we would get our pay for them, but that he could not

give a requisition because it was out of his line. He gave us a requisition at the time for camp-kettles and mess-pans.

Question. What did you sell camp-kettles for?

Answer. At twelve and a half cents a pound; and we sold mess-pans at fifteen cents a pound—that is, to the government. Since that we have sold to Child, Pratt & Fox for the same price.

Question. Did you know that they were going to the government?

Answer. We were satisfied that they were. They came into our store three or four times a day and gave orders, as they got requisitions.

Question. Do you know the reason why McKinsty did not call upon you directly?

Answer. I do not.

Question. Do you know at what price these articles were put in to the government at?

Answer. I know only from hearsay.

Question. What do you know about it from hearsay?

Answer. We always furnished camp-kettles and mess-pans to that house at so much per pound, and they furnished them to the government at so much apiece. I suppose the common sized camp-kettles for the army were worth, anywhere, from thirty-eight to forty-two cents each, according to the weight of the iron. I do not know as I can tell the value of the mess-pans. We work principally in tin ware.

Question. You do not know why the purchase was not made directly of you in the first instance.

Answer. I do not know why they were not or why they should not have been. Of course they bought them where they chose. There was not much money in them at our prices. Filley said he did not want to make a dollar out of the government if he could help it. If a merchant had come in to purchase plates we should have charged him eighty cents a dozen. That is our six months price, and we give merchants ten per cent. off. But, as I said before, Filley figured the price down as low as he could to the government, as it was not his intention to make a dime out of the government.

Question. Then, according to your account, all you threw off was the gain of Child, Pratt & Fox.

Answer. Well, it would seem so. In the commencement of these troubles, Fox and S. R. Filley, a cousin of O. D. Filley, received the donations which came from the east, and they distributed the donations some to one colonel and some to another. Fox thus got intimate with McKinsty.

Question. How much, in amount, have you sold Child, Pratt & Fox?

Answer. A very small amount. It takes a large bill of tin ware to amount to much. I should not suppose we have sold them, all told, five hundred dollars worth. So far as iron work is concerned, G. F. Filley has furnished them that.

Question. Do you know of any transactions outside of your own?

Answer. I do not know that I do. I am not out of the store hardly five minutes a day, and I do not hear much. Our drayman sold to the government his team of three mules. He had two very decent mules and one which was good for nothing. He sells two of them to one of the

contractors; the third one they would not look at at all, as he was all jammed up. He sold two upon the condition that they would pass the next day for \$80 each. He went with the mules the next day, and one mule passed while the other was thrown back upon his hands. The drayman goes then and gets the rejected mule shod anew, put on long corks so that the mule would come up to the standard. They then received that mule. He then, the next day, takes the old mule to another contractor, puts ten dollars more on his head, and the mule was received at \$90.

Question. What is the name of this drayman?

Answer. James O. Donnel, and a secessionist at that. He sold the poor mule to ex-Mayor Wyman.

Question. Was Wyman a contractor?

Answer. I do not know. The drayman told me he sold the mule to Wyman.

Question. For the government?

Answer. He told me it was for the contractor, for Wyman does not want any such animal for himself.

ST. LOUIS, *October 16, 1861.*

JAMES O. BROADHEAD, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. Please state to the committee your residence and business?

Answer. I reside in St. Louis, and am a practicing attorney-at-law.

Question. Have you any knowledge of any contracts made by any parties with the quartermaster in this city? If so, please state what knowledge you have.

Answer. I was applied to by Robert W. Peay, of St. Louis, and Josephus Irvine, and Aaron McPike, of Pike county, Missouri, though now all in this city, to make, as an attorney, some collections for the sale of stock to the quartermaster here. I asked them for their vouchers. They told me they had sold the stock, which consisted of 290 mules, at \$110 each, and that their vouchers were in the hands of a man by the name of Joseph Pease, of this city, a commission merchant on Main street. I went to see Pease in company with Mr. McPike and Peay. Pease showed me the vouchers, which were to the effect that one Neil, an inspector of stock, had made a contract with the government. In other words, the certificate of the quartermaster was that Neil had furnished the government with a number of mules, at a price named, \$119 a head. I turned to Mr. Peay, who seemed to be the managing man of the concern, took him one side and told him that the purchase was not made out in his name. He then asked me whose

name it was made out in. I told him it was made out in the name of Neil. I asked him if he knew Neil. He said he did, and that he was an inspector of stock, if I recollect aright. He then said he wanted me to go to Major McKinstry, as I was acquainted with him, and try to get the money. He said he was only interested to a small amount, stating what it was; that there were others interested, of whom McPike was one and Irvine another, and that they wanted their money. I told him the quartermaster was not bound to account to him because the vouchers were made out in the name of another man. He then stated that he had made an agreement with McKinstry himself, and that McKinstry had agreed to receive his stock at \$110 a head. That was Peay's declaration. Therefore, he said, I would have no difficulty in getting the money.

Question. State fully the purport of the certificate.

Answer. The purport of the certificate was that 290 heads of mules, or thereabouts, had been furnished to the government by Mr. Neil, at \$119 a head, and that the quartermaster had accounted for the stock in his quarterly returns. Below that certificate, on the same sheet of paper, and upon the same side is a receipt printed in blank, and signed by the seller of the stock, intended to be filled up when the money is paid. That is considered a voucher. I asked Peay what interest Pease had in the contract. He said he supposed that either he or those for whom he acted—he did not pretend to know who they were—were interested in the difference between \$110 and \$119 a head for the mules. I asked him also whether he knew anything about Pease; whether or not he could be trusted. He said he did not. I then told him he had better take the voucher in his own hands. He told me to ask Pease for the voucher. I did so. After making some little objection he said he would be glad to have my co-operation in getting the money, and then handed over the voucher to me. I kept that voucher for a few days and went to see Major McKinstry three several times about it. The only answer I could get was that he did not have the money. The last time I saw him he said it took him so much time to fill out the treasury warrants sent here it would take nearly a day to get money enough, \$40,000, to fill that voucher. That was the last interview I had with him. I then told the gentlemen I did not want to have anything more to do with it, and handed the voucher over to them.

Question. Did you represent to Major McKinstry for whom you were acting?

Answer. I told McKinstry that I was representing Peay, who had furnished the mules. He said nothing about Neil, neither did I.

Examination by Mr. Steele.

Question. Did you state to Major McKinstry how much of that voucher you wished to obtain for Mr. Peay?

Answer. No, sir; I told him that Peay and other parties from the country were anxious to get their money; that they owed persons in the country from whom they bought the mules, and they wanted to pay them.

Question. Was anything said between you about the fact that only \$110 out of each \$119 was going to your client?

Answer. No, sir.

Question. But you did state to McKinstry that you came to him in behalf of Peay, who furnished the mules.

Answer. Yes, sir.

Question. But he made no inquiry about how the voucher came to be made out in the name of Neil.

Answer. None whatever.

Question. He made no objection to the voucher because it was made out in the name of a party who did not actually furnish the mules.

Answer. None at all.

Question. How long since was this?

Answer. This happened about the fifth or sixth of September.

Question. (By Mr. Dawes.) Then is not the transaction, in effect, this: That your client sold his mules to McKinstry for \$110 apiece, and by some management that you do not know of at the quartermaster's department the title was put into Neil, and the mules passed to the government at \$119 a head.

Answer. That is it. I recollect distinctly of asking this man Peay why it was that Pease had anything to do with the matter. He told me he was some relation or friend of McKinstry. I should have stated before that I saw Pease a second time before I got the voucher. On the first occasion when I saw him he and Peay made a calculation of the amount which was coming to Peay for the sale of the mules at \$110 a head. It amounted to some \$42,000, and thereupon Peay, who had spoken to me to attend the matter, gave me an order upon this man Pease, who it seemed had the management of the business up to that time, to pay me the sum thus ascertained. Peay signed the order, and that order I kept some time. I suppose it is now destroyed, as I was up at General Porter's one day and lost it out of my hat. General Porter found it and informed me of the fact. I told him it was of no account, and I suppose he destroyed it. He can state the nature of the voucher.

Question. The whole payment made to your client was made upon the basis of \$110 a head?

Answer. Yes, sir; the basis of \$119 a head was expressly excluded.

Question. Are you interested in any contract with the government, or have you made any application for any contract?

Answer. I have never made any application for any contract, nor am I interested in any contract connected with the quartermaster's department.

Question. Is there any other matter connected with government contracts of which you have a personal knowledge?

Answer. This matter of which we have been speaking is one of three claims against the government which have been put into my hands. There were some small claims with which I would not have anything to do. I have another claim, growing out of a contract of some \$50,000, in which the same parties, McPike and Irvine, are interested with one Briscoe. I think that was a contract made with

Leonidas Haskell. They furnished mules under a contract with him at \$110 a head. The vouchers, which were made out in Haskell's name, and which covered the amount, were shown to me. The sample receipt was signed in blank. The vouchers were made out for \$119, and the receipt was signed in blank in the same way. The number of mules which they sold for \$110 came to some \$51,000.

Question. Then the price to the government was made out at \$119 each, while you furnished them for \$110.

Answer. Yes, sir. But I understood from them that they made no agreement whatever with the quartermaster. To me it appeared as though Haskell had made a large contract with the government to furnish mules at \$119 a head, while these parties furnished them to him at \$110 a head. The contract price, as shown by the vouchers, was \$119 a head.

Another transaction which was placed in my hands amounted to some eight or nine thousand dollars, and which I collected for Irving.

ST. LOUIS, October 16, 1861.

JAMES HARKNESS, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State to the committee your residence and business.

Answer. I reside in St. Louis, and keep a livery stable.

Question. Have you had any contracts with the government?

Answer. I have not. The only transaction I have had with the government since the commencement of this war was the furnishing of twenty horses to General Lyon. He sent an order, by a lieutenant of artillery, stating that he wanted thirty-six horses, but I could not furnish him so many that afternoon, as he wanted them by six o'clock that evening. I told him I would spare him a part of my buggy horses, and would go out and buy the remainder.

Question. At what price did you sell them?

Answer. At \$150 each.

Question. Do you know of any contracts which have been made by other parties for furnishing horses?

Answer. I only know of them by parties who were interested in them telling me of them. I did not see the contracts, and therefore do not know anything about them of my own knowledge.

Question. State from the information you have received from those parties what contracts have been made with the government in relation to the sale, purchase, and inspection of horses.

Answer. I went to Boonville to see General Lyon, about the first of July, to get him to indorse the vouchers which came from Washington for the horses I have mentioned. I was up there when the first contract for horses was about to be advertised for. I came from Boon-

ville on Sunday, and on Monday morning an advertisement appeared in the papers for 200 horses and 200 mules—James Neil, inspector. I then went up to Neil's stable to see what kind of animals they were going to purchase. I stopped there an hour, and saw them purchasing small Mexican mules, which, I thought, were not suitable for the purposes for which they were wanted. A day or two after that I went out to the race track, where horses were being inspected, to see what kind of horses they were accepting there. A man by the name of Blakesley, and another man, a major in the army, were inspecting them. This man, Neil, was there also. I stopped there an hour, and they passed perhaps 40 horses during that time. I thought, from the quality of the stock they were passing, that the contractors would make a very good thing out of it. They were buying horses which had been used a great deal around the city, and were pretty well worn out, and some of them much blemished. As a whole, I think they were a very inferior class. The contract was about \$119 for horses, and \$119 50 for mules. A gentleman who purchased an interest in that contract told me so. He told me also that he gave \$5,000 for a one-third interest in the contract.

Question. Who is he?

Answer. His name is Almon Thomson.

Question. Who had the contract?

Answer. Asa Jones, the United States district attorney here, and a man by the name of Bowen, and I think there was another party, but I do not know who he is. Thomson bought Bowen's interest for \$5,000, and then took his place in the contract, and commenced buying. The price of the first mules I saw them purchase averaged somewhere between seventy and eighty dollars. Under the first contract, I think the horses were bought at from \$75 to \$85. They were frequently taken out of drays, wagons, and other vehicles, from men who had no employment for them. The matter went on in that way, and I went out several times to see them inspect and pass horses. When I saw Neil out there one day, I told him I thought this thing would pay pretty well, considering the kind of horses they were taking in there. "Yes," he said, "it is a damned good thing; I am doing pretty well now, and when I get through with this I have 200 more to buy, and I can make a pretty good thing out of that." Said I, "How can you get them to buy; there is no contract out." He said, "I will get that fixed, for the contract is already made." I thought it very strange that a man of his standing in the city should get a contract for 200 horses, or should be appointed a government inspector, for heretofore the government had usually appointed respectable citizens. It was published in the city papers that he was a government inspector, or was acting in that capacity.

Question. Did he say what compensation he received?

Answer. He did not to me, but Thomson told me he was getting five dollars a day. The way I learned the fact from Thomson was this: Neil made out a bill against Thomson for \$1,000, for fourteen days' services at his stable. Thomson thought it was too much, as he was getting five dollars a day from the government; and further, because he (Thomson) had paid every man about the stable for him.

He said he would not pay the \$1,000. He told me that one day he was in Major McKinstry's office, and that Major McKinstry called him up and said: "You ought to pay Neil the thousand dollars; it is very low for his services, and he did a great deal of good;" that he replied: "Major, I think it too much; I paid all his hands; he made my stable his headquarters; and he also, I understand, is getting his five dollars a day from the government;" he replied: "A thousand dollars is very low, and you ought to pay it at once."

Thomson would not pay it, and took the account to Asa Jones, so he told me. Jones said he would not pay it, as it was too much; that he thought ten dollars a day was enough for them to pay Neil, in addition to what he got from the government. Neil then threatened to sue them. Thomson told me this last week. Thomson stops at our stables, and he told me a great deal. Other parties told me that Neil had been in the habit of purchasing mules at \$100 and \$105, and getting vouchers for \$119. I understood from another party, who said he knew the fact, that Neil inspected a number of horses as cavalry horses, and then, a few moments after the parties from whom the purchase was made had gone, he went and rebranded them, thereby making them artillery horses. Cavalry horses are worth \$119, while artillery horses are worth \$150. One brand only is put upon cavalry horses, and two upon artillery horses.

Question. Who told you that?

Answer. I cannot tell his name now. Thomson told me that at one time he had a hundred mules which he had bought upon the requisition of the quartermaster; that he could not get them inspected; that he went to Neil and handed him a fifty dollar bill, and told him he wanted them inspected; that Neil said he would see if they could be inspected, and he had them inspected in fifteen minutes. This was Thomson's own transaction, and he told it to me voluntarily. I am told that men would come here with their horses, and not being able to get them inspected, they would finally go to some of these men who knew McKinstry, to get them inspected. Or these men would go to the holders of the horses, and tell them to let them have the horses, and finally they would be obliged to sell their horses for such prices as they could get—say, for \$105, and then these men would get them inspected and sell them to the government for \$119. They had to sell the horses to the very men who had interposed every obstacle in the way of getting them inspected. One party would put in from 150 to 200 horses a day. Another party would get in 25 or 30 horses a day. A man came here from Illinois who had with him very good letters; one from Governor Yates, one from Governor Morton, both of which highly recommended him. He asked me if I could help him get a contract. I told him I could not, that I should be an injury to him instead of a benefit; that the gentlemen who got contracts here, are gentlemen whom I did not speak to; that no respectable citizens could get a contract. I told him to go and show where he came from, and to show his letters. He did so, and Major McKinstry told him to bring on his horses. McKinstry asked him how many he had. He said he had 50 or 60. He first brought on 20 I think. I assisted him across the river with them, and brought them to the inspectors'

yard. Then he brought 17 more to our stable, and went up to the quartermaster's office to get them inspected, but he was told that the inspectors were all engaged. He went to the office from day to day for a week, but could not get an inspector. He then wrote a very polite note to Major McKinstry, and sent it in by one of the waiters at the office. Major McKinstry sent him word that he would give him an inspector the next Monday, and that then he was done with him. Monday came, but no inspector, so he wrote another note reminding the major of his promise. Major McKinstry threw it under the table and took no notice of it. This man's name was M. M. Dods, and he could get nothing done until Captain Turnley was appointed. He then went to Turnley and told him how he was situated, and he got them inspected. Dods's bill with us for keeping the horses was \$95. Charles M. Ellard and several others of these outside parties came to him and told him that he could not get an inspector, and proposed that he should let them have his horses, as they could get them inspected. This Ellard passed about four times as many horses as any of the others. The mode in which he got his horses inspected was this: he got an order to buy as many horses as he pleased, and then he went and got a man by the name of Dubois appointed as his inspector. A man by the name of Flannigan also got an order to purchase, and he got an Irishman by the name of Keller, a man of very low character, appointed as his inspector.

Question. Who appointed these inspectors?

Answer. These inspectors were appointed by Major McKinstry. Whoever was fortunate enough to get an order from the quartermaster for the purchase of horses got an inspector of his own selection appointed, and, of course, the inspector passed and branded everything which was produced by the party who got him appointed. I have known Flannigan to buy a three year old filly for \$65, and get her passed in fifteen minutes afterwards, under the inspection of his own inspector, Keller.

On another occasion I went out to Grand Avenue, where it was said they were going to inspect horses; I took an interest to see how the thing was conducted. This man Keller was there, though he had not been appointed inspector, as Flannigan had not come here then. Two very respectable citizens from Iowa were down here, and wanted the chance to bring down some horses. I went out there to let them see how horses were passed. Keller was there half drunk, and, in a conversation which sprung up about the army, and other war matters, Keller said "we would soon drive the God-damned Lincoln horde out of this State."

Another contract was let to a very respectable gentleman here, John Farrer. He got the contract in Washington, for \$150, for A 1 first rate artillery horses. He wanted me to take a hundred of the horses to purchase. I asked him what kind of horses they were to be. He told me; and I said that such horses as those could not be bought and do justice; that he could not go among the farmers of Illinois and Wisconsin and buy them for \$150 a head. He said he would get an inspector appointed. I told him that he might do, but that I would have nothing to do with it; that I would not mix up my name with

such transactions as had been going on here. He then got a man appointed who was so bare-faced in his business transactions that he was discharged in a week or ten days.

Question. What is the name of the man who had the contract?

Answer. Dr. Farrer, one of the most respectable citizens here. He got two contracts in Washington. On the first one he commenced to buy, but Major McKinstry threw every difficulty in the way of inspection. He bought 60 or 70 horses at first, and went to the major to get them inspected. The major told the inspector to go and inspect artillery horses. The doctor had got nothing but cavalry horses. The next day he went again with good artillery horses, and the major told the inspector to go and inspect cavalry horses. He left in disgust, and turned round and sold the contract to Samuel A. Buckmaster, of Alton, for \$5,000, as I understood; and I think that there were so many difficulties thrown in the way of Buckmaster that he only got 300 horses in, and has got a good many on hand now. Buckmaster got a man appointed as inspector, who was the best man of all that have been appointed. All the mule contracts are managed in the same way. I have understood that as high as \$122 50 have been paid for some of the mules, but \$119 50 has been the ruling price.

Examination by Mr. Steele.

Question. Did you see a great many of these horses which were passed?

Answer. Yes, sir; thousands of them.

Question. What was their average value in the market here?

Answer. Many of them were, to my certain knowledge, purchased for from \$65 to \$85.

Question. Taking them as a whole, what were they worth on an average?

Answer. One hundred dollars would be a very large price for them.

Question. Would the government have had any difficulty in obtaining these same horses, by proper management upon its part, at rates not exceeding \$100 each?

Answer. None whatever. Thousands of them could be bought for that price. There was nothing in the way of the government procuring those animals of the men who brought them in. If there had been a respectable man appointed to inspect horses, so that the respectable farmers of Illinois and Wisconsin could have come in and had their horses inspected, the horses could have been bought at their real value, and the farmers would have gone home satisfied with the government, because it would have been doing him justice. As it is, many of them have come in from Illinois and Iowa for 300 miles round, and could not sell their horses to the government except through second hands. This second-hand business shuts out respectable citizens, and many hundreds of good farmers have gone home disgusted, while many others, who came here at large bills of expense, were obliged to sell for what they could get. But whatever they sold at, the government was obliged to pay \$119 for the horses.

Question. Did not the government pay \$150 for many of these horses, as artillery horses, which you considered worth not more than \$100?

Answer. I think so.

Question. When you said that the average value of these horses was not more than \$100, you meant to include all those that passed and went into the artillery service?

Answer. Yes, sir; the whole of them. There were a few good select horses bought here, for the first regiment exclusively, at \$150 each.

Question. From your business you are acquainted with the value of horses in the market?

Answer. I am a dealer in all domestic animals, and have been for twenty years.

Question. What was the average value of the mules for which the government paid \$119 50?

Answer. The best evidence I can give of that is to relate a transaction. Charles P. Chouteau got a contract to furnish the government with 500 mules. He requested me to take an interest in the contract with him and purchase the mules, he knowing that I knew the whole country, and knew many of the farmers. I took an interest in the contract, and went up to the stock yards and examined the stock in them. I saw several hundred animals which had been brought in from various points by various parties, but they were not such animals as I wanted to purchase. By our contract the mules were graded. For wheel mules we were to receive \$118; for second class, called swing mules, \$112; and for lead mules, \$100. I did not pay over \$100 for any of the mules I bought. We bought 40 of them for \$4,000. They were inspected by a very respectable man, who did justice between me and the government. There were but two out of a lot of 45 to which I should have objected had I inspected them myself. They were passed by the inspector as 18 wheel, 13 swing, and 13 lead mules.

Question. I want to know whether the mules you turned in at those prices were as good as those received by the government afterwards at \$119?

Answer. I consider that the poorest mule passed for me as a lead would be equal to the average of 2,000 or 2,500 mules which have been sold to the government here. I think the mules I furnished to the government were at least \$30 a head saving to the government over the mules they have generally bought. Scarcely any mules such as I put in as wheel mules were at first bought by the government.

Question. Have you fulfilled the contract?

Answer. No further than I have mentioned.

Question. Would there have been any difficulty in the government purchasing those mules at the prices you have named?

Answer. I could have bought any amount of them, only give me good money to do it with.

Question. Is the government purchasing a large number of mules now?

Answer. I cannot say except from report. I understand that Col. Singleton, up at Quincy, Illinois, has a contract to buy a thousand.

Question. With whom did he make the contract?

Answer. I suppose with the quartermaster here; that is what he says.

Question. Do you know, or have you been reliably informed, of any means made use of to get these inspectors to pass horses and mules?

Answer. I cannot say, further than that the men were of such a class that you could not tell what they would do.

Question. Do you know what became of these horses after they were inspected and received by the government?

Answer. They were put into stables and sheds all around the city. Some of these favored parties got contracts to keep them at 50 cents a head per day, and they sub-let the contract for keeping to smaller stables at 30 and 40 cents per day.

Question. I want to know if many of those horses died before they went into the government service.

Answer. The horses were branded immediately and taken out and put into the fields and lots and barracks, so that the parties that sold them did not know what became of them. Colonel Ellis came in after being out eight days upon service with seventy odd horses condemned, and demanded seventy sound horses in exchange for them from the man in charge of the government horses in a lot. Daniels told me that this Ellis stayed there from morning till night; that he had men enough to lead the seventy horses; that a majority of the men were drunk, so drunk that they could not ride home. The horses stayed there all that day and all that night and all the next day without food or water. The man in charge of the government horses would not give him the horses without a proper requisition. Ellis bullied and swore the whole day, and Daniels told me he got heartily tired of him. He did not get the horses. I came away in the evening, and Ellis was then getting such of his men as could ride upon the horses. I was not long since out at the barracks upon the St. Charles road, and a man there told me that the horses were dying at the rate of from four to six a day. There were many young horses from Indiana, Cincinnati, and other points upon the railroad, which were brought in during the warm weather of July and August. They were packed very closely upon the cars, and upon being discharged many of them got cold and the distemper, and no proper care being taken of them, I think many of them died. The horses have been very badly handled. I saw a number of them up in Mr. Taylor's lot one day. They had little water, and no food except what they barked off the oak trees, and they had eaten up a white pine plank fence.

Question. Whose fault is this?

Answer. I really cannot say. I think the greatest fault was in buying more stock than was wanted at the time, four times as many, apparently, as were required. There are certainly in and about the city a great number now, probably two or three thousand.

Question. Do you know of no use the government has for these horses?

Answer. I can see no use.

Question. Do you know of horses being in the city now which have been purchased for several weeks?

Answer. I should think there were some that had been purchased several months. I know that Daniels had five or six hundred. They get diseased and die pretty fast.

Question. How many government horses are there around here?

Answer. I cannot say; but there have been out on the St. Charles road six barracks full. I passed there day before yesterday, and saw five lying there dead.

Question. Has Daniels been connected with the government in purchasing horses?

Answer. Yes, sir. Buying horses got to be a perfect rage here. Dry goods merchants went to dealing in horses, and quit their regular business. They would watch the ferry-boats and watch the farmers coming in, and would hail them, "Want to sell your horse?" "Yes, sir." "How much will you take?" The reply would be \$75 or \$80, according to the quality. And they would buy the horses at a price agreed on, provided they would pass inspection. These were third buyers under Ellard, and they would probably get from him \$105, while he would get from the government \$119 for cavalry and \$150 for artillery horses.

Question. Do you know anything of the supply of beef for the government here?

Answer. I have no direct knowledge of that matter. This man, C. M. Ellard, furnished the beef the first three months for the volunteers for seven and eight cents a pound net. After that an advertisement for proposals was made, and a man from Chicago got the contract for \$4 40 the hundred pounds net. Martin H. Castle was down here attending to the interest of the Illinois regiment, and he came to me to get information, knowing that I had the hang of everything here. He spoke to me about the beef contract. He said, "Here is a beef contract which one of our citizens got, and how much do you think he is called upon to deliver to-day?" "What was he to deliver?" I said. He said, "His contract is to supply this post for twenty-five or thirty thousand men." Then I said, "Perhaps 25 or 30 bullocks." Said he, "He got an order to-day for 552 pounds of beef. There is a special requisition to other parties for so many pounds at the arsenal, so many for the marine hospital, so many at the different camps. This man got an order for 552 pounds, and all the rest was speialed out to parties in the city here at seven and eight cents a pound, the contract price with the regular contractor being four and four-tenths cents per pound."

Question. Who was the Illinois man who had the contract?

Answer. I do not recollect his name.

Question. Who gave the special requisitions?

Answer. The quartermaster, McKinsty, to different butchers.

Question. Have you received any contracts of any description from the government since the breaking out of these difficulties, or have you been an applicant for any contract or contracts?

Answer. I never had an interest to the amount of one cent from the first horse I delivered to General Lyon to take Camp Jackson

with until the transaction I have referred to with Chouteau. I never put in an offer for a cent's worth of anything. I have not been interested to the amount of one cent in all the contracts that have been let in the city of St. Louis. I furnished the horses upon the requisition of General Lyon, because he knew me, and knew that I would give him good horses. I paid \$150 in cash for many of the horses I furnished him, and some of my own buggy horses I put in which I would not have taken \$200 in cash for.

St. Louis, October 17, 1861.

ROBERT W. PEAY, being duly sworn, was examined as follows:

Examination by Mr. Washburne.

Question. State your residence and business.

Answer. I reside in this city, and my business is that of stable keeping.

Question. Have you had any contracts with the government?

Answer. None directly with the government.

Question. Have you been selling the government any property, or have you been selling to any one for the government?

Answer. I have been selling to persons who were supplying the government.

Question. What kind of property have you been selling to them?

Answer. I have sold mules and horses. The first stock I sold for the government was sold to Joseph S. Pease; I cannot state the exact time, but it was some time in July; I first sold mules at \$100 a head, but afterwards I sold some at \$110.

Question. State the circumstances of that sale, and how you were paid.

Answer. I sold to Pease for Missouri currency. In the first place Pease employed me to go up the country—up into north Missouri to buy stock, and he went up with me; I bought some thirty-three mules for him up there; after that I furnished him with stock subject to inspection here; he paid me a portion of what was coming to me in Missouri paper, and for the balance I have a note at thirty days.

Question. Did you transfer the mules to him directly?

Answer. Yes, sir; the mules were inspected as his mules.

Question. Did you have anything to do with the requisitions of the quartermaster?

Answer. I will state the circumstances and facts, as I understand them, and then you can judge whether the government owes me, or individuals. When I commenced furnishing stock to Pease the understanding between us was that he would give me an inspection whenever I got fifty head of stock on hand, and that he would then pay me in Missouri funds; I continued to have stock turned over to him until he had got into my debt some eight or ten thousand dol-

lars. I then felt that I could not furnish him any more without money, and I so notified Pease. At the same time I had about two hundred head of mules on hand. I notified Major McKinstry that I had some mules, and proposed to sell them to the government. He replied that he did not want any mules at that time. Mr. James Neil came to me about two weeks afterwards and wanted to know if I still had those mules on hand.

Question. Who is this Neil?

Answer. He has been a stable keeper in this city; I do not know whether he was in the employ of the government or not at any time.

Question. Was he in the employ of the government at that time?

Answer. I do not know. He was around the quartermaster's department all the time. I asked Neil who wanted those mules. He said he wanted them for the government. I was not willing to sell them to Neil or Pease individually, but I would sell to the government; we agreed upon a price, and then went down to the office of Major McKinstry, and called him out. When we had talked upon the subject, Major McKinstry said that such mules as T. M. Blakely, the inspector, would inspect, he would accept and pay for at \$110 a head; with that understanding I turned in 296 mules at \$110 a head. I made out the account, and had Blakely, who inspected and branded the mules, certify to it. Of this 296 mules I sold Blakely six for \$105 each, which went to the same regiment. The other 290 were wanted to go to Cairo; I thought I was to get \$110 a head for them. I made out the account, as I said before, and went down to Major McKinstry's office, but found that they were all very busy then. Neil told me they were very busy, and that he would take my account, have it properly shaped, and have it allowed. I left the account with him and went home to attend to my business. About that time I got into a tight place for money, and finding that the government was not paying anything here, I endeavored to get my vouchers for the purpose of raising money upon; I could not get it.

Question. To whom did you go?

Answer. I went to Mr. Neil, and he told me that Pease had the voucher. I went to Pease, and Pease told me he had the voucher, but that he must have a certain amount before he would give up the voucher. It was a large amount of money, he said, which he had an interest in; I think the voucher covered \$40,000, and that there was six or seven thousand dollars of it which they claimed; but Pease was not satisfied to give up the voucher unless that amount was paid. I then went to J. O. Broadhead and got him to attend to the business for me, and he and Major Rawlings got the voucher for the 290 mules.

Question. What interest had Pease in these 290 mules?

Answer. I cannot say. I never saw the voucher, but I understand from Broadhead and Rawlings that the voucher was made out in the name of Mr. Neil at \$119 a head. I got Rawlings to raise some money for me, and the voucher was placed in his hands as collateral security, and the matter remains so yet. I first left the voucher with Broadhead, and he turned it over to Rawlings.

Question. Does the voucher show that Neil sold the mules?

Answer. I so understand, but I have not seen it. I think \$35 @30

is due me upon it. The voucher includes the 290 mules at \$100, the six mules at \$105, and I claim upon that voucher \$2,500 which Pease owes me upon a balance of account of stock which I furnished him before.

Question. What conversations did you ever have with Neil? Did you ever ask him any question why you did not sell directly to the government?

Answer. I told him that my impression was that when I had the mules branded I thought I was selling them directly to McKinstry. He stated that the government had no money, and that Major McKinstry had ordered him or Pease to pay for the mules. I thought the voucher was made out in Joseph S. Pease's name until I was informed differently.

Question. Did you ever have any talk with Pease further than you have already stated?

Answer. I told Pease that I wanted the money, and told him I should not have sold the mules had I not thought I was selling them directly to the government.

Question. Who is this Pease?

Answer. He is a commission merchant of this city.

Question. What connexion has he with the quartermaster's department?

Answer. I do not know that he has any connexion with that department.

Question. Is he about there much?

Answer. Yes, sir; I generally found him about the quartermaster's office.

Question. What kind of a merchant has he been?

Answer. A commission merchant. I have only known him since he was a commission merchant.

Question. Have you received any pay yet?

Answer. No, sir; I have received no pay from the government. I got a loan from Major Rawlings.

Question. Did he raise that loan upon the voucher, and take that voucher as collateral security?

Answer. I went to him one day and told him I was compelled to have some money, and he raised it for me.

Question. Do you know anything about any other contracts?

Answer. I have sold mules to other parties.

Question. To whom?

Answer. To L. Haskell & Co.

Question. How many did you sell them, and how did you get your pay?

Answer. I think I sold them 800. Haskell has the contract, I believe; but he had a man by the name of Palmer in his office, and he had as much to do with me as Haskell had, and I suppose he was interested in the contract. My contract is with L. Haskell. They paid me along as I delivered the mules. I delivered mules and received pay for the same as follows:

September 9, 1861, 123 mules, at.....	\$108
“ 11, 1861, 17 mules, at.....	108
“ 13, 1861, 121 mules, at.....	108
“ 16, 1861, 68 mules, at.....	108
“ 19, 1861, 93 mules, at.....	108

They owe me for mules, delivered as follows, at the following prices :

September 21, 1861, 111 mules, at.....	\$108
“ 23, 1861, 31 mules, at.....	108
“ 24, 1861, 67 mules, at.....	108
“ 30, 1861, 50 mules, at.....	108
October 6, 1861, 6 mules, at.....	108

I say they now owe me for them. I have been buying some feed from these men, and their bill will come out of what they owe me.

Question. How much do they owe you now?

Answer. They have given me some vouchers not properly certified. I have not got them with me.

Question. Wherein is the defect in the vouchers?

Answer. The account is not certified to be just and correct. It is simply a certificate that they had received the animals and would account for them.

Question. Who certified those vouchers?

Answer. Captain Bradshaw.

Question. What is the reason why they were not certified in the usual way?

Answer. Captain Bradshaw tells me that it was because he did not see the contract with the government. I hold those men for from thirty to thirty-five thousand dollars. I claim that they owe me that amount. I did not take those vouchers upon condition that I should shave them. I claim them as collaterals. I could not shave them and get out of them the amount I paid for the stock. Nobody will buy them. The vouchers I have taken are in the name of H. C. Worth.

Question. Have you a copy of the contract with Haskell?

Answer. Yes, sir; and it is as follows :

“Memorandum of agreement made and entered into this day between Peay & Harriss and Leonidas Haskell. Said Peay & Harriss hereby agree to furnish and sell to said Haskell five hundred mules; said mules to be delivered at the government yard, St. Louis, and to be accepted by the government inspector; all to be delivered within thirty days, for the sum of one hundred and eight dollars each, (\$108,) payable in Missouri currency. A portion of them for old mules to be received.

“St. LOUIS, *September 5, 1861.*

“LEONIDAS HASKELL.

“PEAY & HARRISS.”

Question. Have you the vouchers with you?

Answer. Yes, sir.

The following is a copy of one of the vouchers presented by the witness, the others being in the same form :

The United States to H. C. Worth, Dr.

October 5, 1861.—For 90 mules, at \$119..... \$10,710

I hereby certify that I have received the above-mentioned animals, and will account for them in my next return.

JAMES M BROADHEAD,
Captain A. Q. M.

I certify that the above account is correct and just, and that all the articles have been accounted for on my property return for the quarter ending on the _____ of _____, 186—.

_____, Quartermaster.

Received at _____, the _____ of _____, 186—, of _____, quartermaster United States army, _____ dollars and _____ cents, in full of the above account.

H. C. WORTH.

(Signed in duplicate.)

Question. Who is this Haskell?

Answer. He is a man doing business in Main street, in this city. The first I saw of him was the morning I made the contract with him.

Question. Where was that?

Answer. He came to my house. I made a contract to furnish him 500 mules, with the privilege of putting in 1,000, if he would receive them upon the same conditions. I think I have delivered about 800. I had 1,000 bought, but they have since been turned in on another contract.

Question. What connexion has Haskell with the quartermaster's department?

Answer. I do not know.

Question. Have you seen him about there?

Answer. Yes, sir; very frequently.

Question. Who inspected the mules for you?

Answer. Blakesley inspected a portion of them; Saxton a portion; Colonel Abrams a portion; and another man. I believe all the inspectors who have been in the quartermaster's department here have inspected mules for me.

Question. Have you had any trouble in getting an inspection?

Answer. No, sir.

Question. Did you ever pay anything for getting an inspection?

Answer. Never a cent.

Question. Did Mr. Haskell aid you in getting an inspection?

Answer. He gave me an order for inspection.

Question. What was the nature of the order, and upon whom was it drawn?

Answer. Any government inspector was ordered to inspect the mules.

Question. What right had he to give an order?

Answer. I never inquired as to his right. When I presented such orders, sometimes they would act upon them, and sometimes they would not.

Question. Is it an ordinary thing for a man who is selling mules to inspect them?

Answer. I understand that these men who are selling mules to the government sometimes get a general order to have all mules inspected which are delivered upon their contracts. I understood that Haskell had an order from General McKinstry to have his stock inspected whenever he got it ready; but I have never seen any such order.

Question. In the payments made to you by Haskell, what kind of money did you get?

Answer. Missouri money—a check upon the Merchants' Bank.

Question. What discount was there upon that, in exchange for gold or eastern exchange.

Answer. From five to twelve per cent. at different times.

Question. Are there any other transactions in the selling and inspection of mules of which you can give us any account?

Answer. I sold 40 mules to Captain Rankin, of the quartermaster's department. He paid me for them in Missouri funds when I delivered them.

Question. Was he the United States assistant quartermaster here, under McKinstry?

Answer. So I understood. I did not think at the time that he was.

Question. Was he not in the quartermaster's department.

Answer. I did not understand that he was at that time. This was some time in August.

Question. What did he give you for them?

Answer. \$110 each.

Question. Did you have any difficulty about their inspection?

Answer. No sir.

Question. Who furnished the inspector?

Answer. Mr. Blakely inspected them.

Question. And he reported to Captain Rankin, and the captain paid you?

Answer. No, sir. I agreed to furnish Blakesley forty mules, such as he would receive. He gave me a check for the money. The moment I got Blakely's receipt I returned it to Rankin. I had no acquaintance with Rankin. I think the first time I met him was at Barnum's Hotel, in this city.

Question. You only expected \$110 for the mules you furnished to Neil?

Answer. That is all.

Question. To whom does the difference between \$110 and \$119 on each mule go?

Answer. I am not able to say.

Question. Had you any conversation with Neil or Pease in relation to the difference which led you to infer where it would go to?

Answer. No, sir; I never had much conversation with those gen-

tlement. When I understood that I was not to get my money I had to look to those parties for the pay.

Question. What did you understand Pease to mean when he told you that he had six or seven thousand dollars to come out of the voucher?

Answer. I understood that he meant that he was going to have the difference between the price I sold the mules at and \$119 per head.

Question. You stated that major McKinstry agreed to pay you \$110 per head for the mules?

Answer. Yes, sir; that was my understanding. I would not have had them branded if I had not so understood it. We went to his office and called him out. He asked me how many mules I had. I told him I had upwards of 300. I understand he asked me what my price was. I told him I could not sell them for less than \$110 each. He turned to Blakely and said "you go and brand your mules;" and he turned to me and said "what that man brands I will pay for." I had the mules branded that evening. I made my account out against the United States, and went to the office next morning; but there was a great crowd there trying to see McKinstry, and I could not get to see him. Neil told me that if I would give the account to him he would have the account fixed up, and that the first money which came should be paid to me. I never saw the voucher.

Examination by Mr. Steele.

Question. What kind of pay were you to receive for those mules?

Answer. When I sold the mules I thought I was going to get the kind of funds the government was paying—if treasury notes, I expected to get them; if gold, I expected to get that. But as a compromise afterwards, as I had a little credit of my own, and the parties from whom I purchased were anxious for me to pay them, I proposed to take Missouri funds.

Question. What difference would that make?

Answer. Eight or ten per cent. at that time.

Question. Can you give us the date of this transaction?

Answer. It was about the fifth of August. I know I calculated to make about \$2 50 on each mule I sold, but as it is I shall not make a cent.

St. LOUIS, Oct. 17, 1861.

JAMES EVERETT, being duly sworn, was examined as follows:

Question. State to the committee your residence and place of business.

Answer. I reside in St. Louis, and I am in the horse-trading business.

Question. Have you sold any horses to the government?

Answer. I have not. I have sold horses to contractors who are supplying the government.

Question. To whom have you sold?

Answer. To Almon Thomson, to Flannegan, to Samuel W. Buckmaster, and to Charles L. Ellard.

Question. At what price have you sold those horses?

Answer. At different prices. I sold some horses to Ellard for artillery puposes for \$115 a head. I sold some artillery horses to Thomson for \$110. I sold most of the cavalry horses for \$100 a head, though I sold some for less.

Question. How did you receive your pay?

Answer. Directly from those men.

Question. Did you have anything to do with government requisitions?

Answer. No, sir.

Question. Did these parties pass over any requisitions to you as collateral security?

Answer. No, sir.

Question. Did they pay you the money?

Answer. Yes, sir.

Question. Who inspected the horses?

Answer. The government inspector, Dubois, inspected those I passed over to Mr. Ellard. Dr. Keller inspected those I sold to Flannegan.

Question. Who is Keller?

Answer. He is one of the government inspectors.

Question. Does he reside in this city?

Answer. Yes, sir.

Question. Do you know him?

Answer. Yes, sir.

Question. What is his business?

Answer. He is a horse doctor.

Question. Is he a responsible man?

Answer. I do not know anything about his responsibility.

Question. What is his character?

Answer. I do not know much about his character; people speak rather lightly about his character.

Question. Do you know a man by the name of James Neil?

Answer. I do.

Question. What connexion has he had with the purchase of horses for the government?

Answer. I saw him buy horses and inspect them himself.

Question. When did you see that?

Answer. It was on the 18th, 19th, or 20th of last month.

Question. How many horses?

Answer. I saw the horses counted out of the yard at night, and there were 98 counted out as branded that day by himself. I did not sell him any horses. My brother showed him a horse one day, but from what he saw he concluded that it was a thieving operation and he would not sell him any more.

Question. Who sold him the horses he branded himself?

Answer. John L. Ganshorn sold horses to Neil. He keeps a feed store here.

Question. And Neil inspected and branded them himself?

Answer. Yes, sir.

Question. How many were there?

Answer. 98. It was a matter of general talk about the neighborhood that Jim Neil should buy and inspect his own horses. He treated the owners of the horses from whom he bought badly. He would tell them that he could not brand their horses as artillery horses, and so he would buy them as cavalry horses; but at night, after the owners had gone away, he would put another brand upon the hip, making them artillery horses, which were worth \$30 the most. I understood he treated eighteen horses that way. The owners said that was stealing their money.

Question. What price was Neil paying for horses?

Answer. He was paying that day \$120 for artillery horses, and \$100 for cavalry horses. The owners would get the cavalry price, and he would get the artillery price.

Question. Do you know what those horses were turned into the government for?

Answer. I do not.

Question. How many horses have you sold?

Answer. I suppose I have sold about two hundred; I never kept any account of the number. I had a letter from Colonel Blair to Major McKinstry asking him to inspect my horses.

Question. Have you that letter.

Answer. Yes, sir.

The following is a copy of the letter produced by the witness:

“ST. LOUIS, *August 28, 1861.*

“SIR: Mr. James Everett has some horses; I wish you would have them inspected for him, and buy such as are suitable for the government. He is a good friend and strong Union man.

“Respectfully,

“FRANK P. BLAIR.

“Major McKINSTRY.”

On the back of the letter was the following indorsement:

“Inspection will take place immediately.

“McKINSTRY.”

Question. Was the indorsement made when you took the letter to Major McKinstry?

Answer. Yes, sir; I called the next morning and inquired if the inspection could be made. I was informed that it could not. I went there on five successive mornings, but could not get the horses inspected. The last morning I went there I asked Major McKinstry if he would give me an inspection of that stock, at the same time showing him the letter. He said he could not. I asked him if he could give me any assurance when he would. I told him the horses were \$50 a day expense to me, and that they were eating me up. Said

he, "my horses eat me up, too." I asked him if he could give me a definite answer. I knew he was inspecting every day for Thomson, Buckmaster, and Ellard, and I thought it very strange; but I did not want to offend him. I was satisfied he did not mean to inspect my horses, but meant to force me to sell them to some of those men. And finally he did force me to it; and I sold them.

Question. To whom did you sell them?

Answer. I sold them to different parties; some to Ellard, some to Flannegan, and some to Buckmaster.

Question. What did those parties do with the horses?

Answer. The horses went to the government.

Question. At what price?

Answer. I cannot say.

Question. How soon after you sold them were they inspected?

Answer. Within a day or two after.

Question. What did you get for them?

Answer. One hundred dollars for cavalry and one hundred dollars for artillery horses.

Question. You could have sold them to the government at the same price?

Answer. Yes, sir; I told McKinstry that I wanted him to inspect the stock and pay me what he was paying to other parties; that I did not want anybody to speculate out of them. I told him I wanted him to receive the horses directly from me, and not receive them through other people's hands. He said "that is your answer; the inspection shall take place immediately." I waited for five days, but I saw plainly that he did not mean to inspect the horses.

Question. You think the object was to compel you to sell the horses to other parties?

Answer. I thought that was the object. There was another party (Eddy) who was interested in the contract. He said to me, "let me take the letter of Blair, and I will drive the old gentleman to the point." He took the letter, went to McKinstry, but came back mad. He could do nothing with him. He said McKinstry treated him just as he had treated me.

Question. Do you know anything of other transactions which McKinstry has had with other parties in reference to the purchase of horses?

Answer. No, sir.

Question. Has Buckmaster had a large contract?

Answer. I think he has had a good many horses, but I do not know how many.

Question. In what kind of money were you paid?

Answer. In Missouri funds.

Question. What is the discount upon that money in exchange for gold?

Answer. I do not know. I received a check upon the bank, and hold it now.

Question. If you had sold horses to the government you would have got good money, would you not?

Answer. I suppose so; but I do not know what money they paid.

Question. What has been the average price of the horses you have sold to the government?

Answer. I sold one horse as low as \$65 to Flannegan. The horse was not fit for government purposes; but they have a way of getting in such horses.

Question. Do you know whether that horse was put in to the government?

Answer. Well, sir, he had a brand put upon the horse, whether he went into the government service or not. I have sold most of my horses for from \$95 to \$110; and perhaps I sold one or two for \$115. Ellard would pay me \$115 for a very nice beast.

Question. Did you sell subject to inspection?

Answer. I sold my horses subject to inspection; and, therefore, I had to buy according to my own judgment, and if they were discarded I had to do with them the best I could.

Question. Would your sales average \$95?

Answer. I think they would average nearly \$100. I think the artillery horses which were sold at \$115 would make the average up to \$100.

Question. What proportion of your horses were artillery horses?

Answer. About one-fifth of the two hundred. One man will show a horse one day, and he will be rejected; to-morrow another man will show the same horse, and he will be accepted. That shows that some parties have inspectors under their control who will take anything, while other persons will have to produce only number one stock. That is the way in which \$65 horses get through. They cannot be got through for every man. One man told me that he paid one inspector \$50 to get horses through. He told me he had to grease old Keller with \$50 to get horses through.

Question. Was that man Thomson?

Answer. No, sir.

Question. What is his name?

Answer. I cannot tell now, but I will obtain his name. Keller is the same man that inspected the \$65 horse I sold to Flannegan, and he doubtless got the regular government price for him, because he was branded. All horses that are branded bring the regular government price.

Question. What is done with all those horses after they are inspected?

Answer. They are generally put into stables and yards around here. One yard had 300 in. There was where the stampede took place which ruined a good many horses.

Question. Is there much stock on hand?

Answer. I do not know how many. There is quite a large number.

Question. Are they generally in good condition?

Answer. Some of them are. Those that stampeded are in a bad condition, and more or less lame.

Question. Are they taken good care of?

Answer. Those horses which have come under my inspection are generally well fed.

Question. Do they die of disease?

Answer. No, sir; fifteen were killed in that stampede?

St. Louis, *October 17, 1861.*

AARON MCPIKE, being duly sworn, was examined as follows:

Question. State your residence and business.

Answer. I reside in Pike county, Missouri, and I am a farmer.

Question. Have you had any transactions with the government, or with any other person for the government?

Answer. Yes, sir.

Question. State what it is, with the names of persons, &c.

Answer. I had some mules at home which I had fed for the southern market, but I failed to get them into market before the blockade. I then sent a man down here in June to get a contract. He got the contract, and I brought the mules through by land from Pike county. I took a contract from Major McKinstry at \$110 a head, to the best of my recollection, for \$75 a head. We brought down some 97 or more. The remainder of the 97 head we sold to Thomson and Wheeler for \$107 50 a head. There were 27 in that lot. Thomson, Wheeler and Jones were the original contractors with the government. After that I went home and brought some more down, and sold them to Charles M. Ellard at \$110 a head. I had but little acquaintance with him, and did not have much confidence in him, and we insisted upon having the money the moment the mules were branded. On that he threw up the agreement, and would not take the mules. I then went to feeding the mules, and fed them for some time before I heard of any one wanting mules. Robert W. Peay made an application to McKinstry for a contract. Major McKinstry let him know that when he wanted mules he would send for him. I met Peay going to McKinstry's office, and he asked me what I was going to do with my mules. I asked him what he was going to do with his. He said he was going to try to get a contract from McKinstry. I told him to do with my mules exactly as he did with his own, and I would be satisfied. He came back and reported that he had a contract with McKinstry at \$110 a head. The mules, 190 head, for Peay and myself, were branded for the government. There were 90-odd head which I put into the lot. Some time afterwards I got restless, and wanted the money. I had got no vouchers yet, and Peay had been at the door of the quartermaster's office every day for three or four days, but the vouchers were not fixed up properly. They agreed that at a certain time they would have the vouchers fixed up. They got them fixed up after awhile. I saw the vouchers, but did not read them. They came out in the name of James Neil. I went to Mr. Broadhead and employed him to collect our money. We went with him to Pease, who had the vouchers in his possession. Peay let Pease have some mules at a hundred dollars a head before that time, upon a contract which Pease had to furnish mules to the government, and they went into that contract. Pease objected to giving up the vouchers to Peay, upon the ground that he had some interest in the vouchers. But Broadhead finally succeeded in getting the vouchers into his own hands. That was some time in the latter part of July or the first of August, according to my recollection. Mr. Broadhead was

going to Washington city the day I came down here, and he said he was glad I came. He said he had a notion to put our business into the hands of James S. Rawlings, the representative from my district. Rawlings has since told me that he had bought Pease out, and he has got the claim into his own possession now.

Question. That is, you understood that he had to pay Pease for his claim?

Answer. Yes, sir; before he could get the vouchers in his hands he had to pay it; he advanced me \$3,000 out of the \$13,000; the remainder is yet due me on the vouchers for mules put in in July.

Question. Have you had any transaction since of the same character?

Answer. Yes, sir; I came down again some time in August, I think. Richard Treadway and Anderson Briscow, friends of mine, had made a contract to furnish Haskell with from one hundred to one thousand mules. Briscow, finding that I was in the city, proposed to me to go into partnership with them. Briscow never had been in the mule business before; he bought a few upon the street, but had them thrown upon his hands, as they were hardly worth ten cents apiece. I had had experience; I finally agreed to go in with them as I was on hand waiting for my other money; I was a little upon my guard, and I would not agree to furnish as many as they thought they could furnish. We commenced furnishing Haskell at \$108 a head, the money to be paid as often as we got 25 head together that would bear inspection and be branded; I superintended everything, Mr. Briscow keeping the books; we went on and had mules inspected, and they paid us for three lots; there was one lot of 71, another of 70-odd, and another of 96; then their money gave out, but I kept on until we had put in 992 mules on their contract, at \$108 a head.

Question. What did Haskell do with the mules?

Answer. The mules have gone out into the service.

Question. Did the government receive them from Haskell?

Answer. Yes, sir; I have some vouchers which they turned over to us as collateral in the first place; one voucher was for \$51,000, signed by Major McKinstry.

Question. To whom was the voucher made?

Answer. To Haskell; that was assigned to us by Haskell.

Question. Does the voucher state the price of the mules?

Answer. Yes, sir; \$119 per head.

Question. What connexion, if any, had Haskell with the quartermaster's department?

Answer. I do not know; he is now, I am told, one of the staff officers of Frémont; in fact he came to me before he went out to know whether I could furnish him with a couple of good horses.

Question. Did he have any military trapping on?

Answer. No, sir; he wanted horses very much for that expedition; Mr. Peay furnished him with two horses.

Question. How much is he indebted to you now?

Answer. I cannot tell now. We have some vouchers, and if we could get the face of them they would bring what they are owing us. I became alarmed, and I tried to get enough into my hands to secure us. I think I can tell within a few thousand dollars of what they are ow-

ing us. I have vouchers to the amount of \$64,000. We have let two small vouchers go in payment of some stock I bought, some two or three thousand dollars each; they are owing us from sixty to seventy thousand dollars.

Question. You mean by that, Haskell?

Answer. Yes, sir; Haskell & Co. Haskell signed the first vouchers, but I have two now signed by Worth, for Haskell, under a power of attorney.

Question. Who is Worth?

Answer. He is a man from California, I think.

Question. Is Haskell a Californian?

Answer. I do not know.

Question. In whose name was the voucher given for the first lot of mules in which you and Peay were interested?

Answer. I never got that voucher into my hands, as Pease refused to give it up to Broadhead, for the reason that he had an interest in it himself, but Broadhead has represented to me since that it came out in the name of James Neil. I do not know that of my own knowledge.

Question. Did you have any conversation with Neil about the matter?

Answer. No, sir.

Question. Or McKinstry.

Answer. No, sir.

Question. Or with anybody who represents the quartermaster's department.

Answer. I have had some conversation with Major Allen since Major McKinstry left here.

Question. What did he say?

Answer. I asked him about my voucher which McKinstry had signed. He told me it would all be right, and make me safe. He did not say so in so many words, but he did not seem to talk as if other parties would be safe. He told me to bring to him the next mules I had for sale, and he would buy them.

Question. Did you tell him about the middle men you had been dealing with?

Answer. Yes, sir. I had some mules myself, which I had bought, and I wanted them inspected. I went to Major Allen and got an inspection. He agreed at last that I should have an inspection. Then it was that he said that if I had any more mules to sell to bring them to him, and he would buy them.

Question. Is Major Allen the present quartermaster here?

Answer. Yes, sir. He intimated that hereafter he would buy the mules himself, or see that I had an inspection. I had no conversation with McKinstry. Most men were afraid to approach him.

Question. Why?

Answer. I do not know that I should say.

Question. He was the quartermaster, was he not?

Answer. Yes, sir. People feared to have interviews with him because he was very crusty. I heard a man upon the street say, a few

days ago, that McKinstry ordered him to be arrested because he differed with him in opinion.

Question. What was the occasion of the difficulty?

Answer. It was about some stock. They differed in their opinion about the feeding of some stock for the government. Perhaps I should not say he had the man arrested, but he ordered some men to have him kept in a room, and threatened him with an arrest.

Question. What is the man's name?

Answer. I do not remember. On one occasion I went to McKinstry to get an order to have some stock inspected, and he put me off. He said I had done my work, and he would do his. I left immediately.

Question. Have you heard of any complaint against Major Allen?

Answer. None as yet. He has given me all the information I have asked of him.

Question. You would have sold the government the mules at the same price you sold them to Haskell, would you not?

Answer. Yes, sir. But I would not have sold to Haskell for that price if I could have got any more. It was too low a price for the quality of mules I let them have. Some of the best mules of our country have not yet been brought in, because of the low price.

Question. If the government would offer you \$119 for them, you could bring them in.

Answer. Yes, sir; I could get the best for that.

Question. Would it not have been more satisfactory to have dealt directly with McKinstry, and got the government pay from him?

Answer. I think it would have been more satisfactory to everybody. We thought the course pursued showed too much favoritism. The other course would have been satisfactory to everybody but the contractors.

Question. What has been the general understanding among sellers, like yourself and Peay, about the manner in which this business has been managed?

Answer. Well, sir, that the stock had got to go through certain channels. The understanding was, when we took the contract from the contractors, we were to get the money from them from time to time to go ahead on. The fact is, we could not sell them to the government anyway, and as these contractors proposed to pay as fast as we put the mules in, we could keep the thing moving. I do not complain of Haskell and those men. They paid as long as they could pay, and when they could not, they turned us over security.

Question. In what kind of money did they pay you?

Answer. In Missouri paper.

Question. Was not that a discount?

Answer. We paid it out.

Question. I suppose you bought mules as cheap for that paper as you could for gold.

Answer. No, sir.

Question. What difference would it make?

Answer. It would make the difference between gold and Missouri paper.

Question. What was that?

Answer. It would probably average five per cent.

Question. Then you lost that amount.

Answer. I could have bought the mules ten per cent. less with treasury notes or gold, but I have not yet received a dollar in treasury notes or in gold.

Question. Who is Josephus Irvine?

Answer. He is the man who came down and made the first contract for me with Major McKinstry for the 75 mules.

Question. Have you any knowledge of any other contracts?

Answer. No, sir; not of my own knowledge. If you could get Neil to come here and tell what he knows as freely as I have done, he would give you more information than any other man in this town.

Question. Are you acquainted with him?

Answer. I am, and have conversed with him occasionally; but I don't know whether he would tell all he knows. He said a few days ago that he was damned sorry Major McKinstry had left here—that he much rather he had remained here.

Question. Did he give any reason for it?

Answer. No, sir.

ST. LOUIS, *October 17, 1861.*

ROBERT P. COFFEY, being duly sworn, was examined as follows:

Question. State to the committee your residence and business.

Answer. I reside in St. Louis, and keep a sale stable.

Question. Have you had any dealings with the government?

Answer. Not directly.

Question. Have you with any persons who were acting for the government?

Answer. Yes, sir.

Question. With whom?

Answer. With several parties; I first furnished some mules to Neil & Co. I do not know who the firm are. James Neil received and paid for the mules. Then I furnished Thomson a good many horses and mules. The last and the main contract I had was with Haskell & Co.; I furnished them 762 mules.

Question. At what price?

Answer. At \$108 a head.

Question. What did Haskell do with them?

Answer. They were branded, and the government got them; at any rate, I saw them put into the government lot.

Question. At what price?

Answer. At \$119 a head.

Question. Why did you not sell directly to the government?

Answer. I do not know how to answer that question; I would have been glad to do so, but I have had no chance to make bids to the government.

Question. Why have you not?

Answer. I do not know that I could give any good reason; it seemed that other parties could get in before me.

Question. Who inspected your mules?

Answer. Three or four different parties—Saxton, Chambers, Blakeley, and Daniels; Chambers inspected 111 for me in one day.

Question. Had you any difficulty in getting them inspected?

Answer. Sometimes we had to wait a day or two longer than we expected.

Question. How did you get the inspectors?

Answer. We generally went for them to the parties to whom we sold. They generally went directly to the quartermaster, and he furnished inspectors to us. There were four parties of us—Peay, Harriss, McPike, and my firm—and we usually worked together, and when we got an inspector for all we all sold horses to the same parties.

Question. What do you know about Neil inspecting horses?

Answer. I do not know much about him; I put in a few mules when they first commenced buying, and Major McKinstry himself inspected them.

Question. Did he inspect them for you?

Answer. No, sir; I think they went in under Pease's contract.

Question. Did McKinstry inspect mules which were sold by you to Peay?

Answer. He assisted his inspector to inspect the mules which the government was receiving from Peay. I put my mules in with Peay's; but this was when they first commenced buying mules.

Question. Do you know this Jim Neil.

Answer. Yes, sir.

Question. In what capacity was he acting about the time McKinstry came here?

Answer. I do not know much about him, but he seemed to be buying horses and mules, as I understood, under direction of Major McKinstry, and that was the general understanding.

Question. In whose name did he buy, in the name of the government or in his own name?

Answer. I do not know; he bought but very few mules from me, what number I cannot say.

Question. Were the mules you sold sold directly to him?

Answer. They were.

Question. At what price?

Answer. I think I got \$100 a head for them?

Question. Do you know what he did with them?

Answer. I cannot say; I know they were branded with the U. S. brand.

Question. Do you know what he got for them?

Answer. No, sir; I can tell you a remark he made which convinced me what he did get. A few days ago, when he wanted to buy a few mules, I offered to sell them at the same price I had been selling at formerly. He said he did not like to work for so little as the difference between that and \$119 a head. I therefore concluded that he got \$119 a head.

Question. Why was not your sale made directly to McKinstry, as he was quartermaster, for the same amount which Jim Neil paid you?

Answer. I never had an opportunity to make a contract of that sort. I have frequently been to the office to have a conversation upon that subject, but the office was always very crowded, and whenever I did ask McKinstry any questions he cut me off so short that I did not like to talk with him. I once went there with my bill for keeping Frémont's body guard horses; they were sent to me because they thought I would take good care of them; I did take good care of them, and charged fifty cents a day for each horse. When I went in and presented the bill to McKinstry he pitched the paper one side and said, "you cannot come it over me in that way," and he cut me down to thirty cents a day, and that is all I got. That may be all right, but we on Broadway cannot keep horses for that sum.

Question. Have you been paid?

Answer. No, sir; I have not been paid at all.

Question. How many horses did you keep?

Answer. I kept twenty-five of the horses which were bought for him first; I kept other horses also. My whole bill was \$255.

Question. What were the body guard horses for?

Answer. I do not know.

Question. Were they in charge of soldiers?

Answer. They were brought to me directly after they were branded, and I was to take care of them until they were called for. I was living near the inspector's yard. In buying horses and selling them I had to operate through second hands, because I did not know when I could get money from the government if I sold my horses to them; and as I was poor I could not operate without means.

Question. Do you know of any other matter connected with the sale of horses for government use?

Answer. I do not.

St. Louis, October 17, 1861.

JOSEPHUS IRVINE, being duly sworn, was examined as follows:

Question. State to the committee your residence and business.

Answer. I reside in Pike county, Missouri, and have been a dealer in stock for many years.

Question. Have you had any transaction in stock with the government?

Answer. Yes, sir; I have sold stock to the government here.

Question. Are you in company with Robert W. Peay and Aaron McPike?

Answer. Yes, sir.

Question. State the circumstances of your coming down here and making a contract with Major McKinstry for the sale of stock.

Answer. I came down here in July, about the time the first con-

tracts for stock were let. They were let a few days before I got down. I had a quantity of stock on hand at that time, and I went to see McKinstry as soon as I came into the city, and made a proposition to sell him my stock. I did sell it to him.

Question. How much?

Answer. Seventy-five head at that time.

Question. Did you turn the stock over to him?

Answer. I sold them to him and he inspected them himself.

Question. Did you make any further contract?

Answer. Not at that time. I afterwards had stock, and made efforts to sell it to him, but did not succeed. When I went home I left McPike here, and he and Peay sold a lot of some 200 odd head. I could not sell them myself. First and foremost I had got Mr. Broadhead to go to Major McKinstry to try to satisfy him that I was a stock man and could furnish stock. Mr. Broadhead was formerly from my county. I then got McCune to go to McKinstry and introduce me to him. He told the major that I could give any amount of bonds he might require for the fulfilment of any contract he should enter into with me; that I was perfectly reliable, and that he might be assured that any contract he entered into with me would be fulfilled on my part. I tried several times after to make a contract with McKinstry, but could not do it. I offered to furnish him from 500 to 1,000 head, at \$110 per head. He always observed to me when I went to converse with him that he did not want any stock.

Question. What did you afterwards do with the stock you offered to him?

Answer. I did not have it on hand, but was willing to contract to deliver it, and to give any bonds that might be required. I went home, leaving Peay and McPike here; and they sold the 200 head I have spoken of to McKinstry.

Question. What have you done with other stock you have had?

Answer. I have sold it to Haskell.

Question. What reason had you for selling it to Haskell rather than to McKinstry?

Answer. We could not make a contract with McKinstry.

Question. Did you try?

Answer. Yes, sir.

Question. After you came down the second time?

Answer. No, sir; but Peay and McPike did, and they did not succeed. When I sold the first lot of stock to McKinstry I inquired of him in regard to the pay. I told him I supposed the money would be paid when the stock was delivered. He said, certainly; that if he had not the money he should not buy the stock. I delivered the stock, but waited two weeks for the money, and not then receiving it I turned it over to a lawyer here to collect. Mr. Broadhead, my lawyer, collected it, and I paid him \$200 as his fees.

Question. What reason did McKinstry give for withholding the pay so long?

Answer. He told me he did not have the money; he had before told me that he had it. I put in the stock on Saturday, and Tuesday

evening after I called upon him for the money, supposing, of course, that the money was here.

Question. What connexion has there been between Neil and the quartermaster?

Answer. I do not know.

Question. Do you know Neil?

Answer. Yes, sir; I am personally acquainted with him.

Question. What is his business, and what is his reputation?

Answer. He is in the livery stable business here.

Question. Is he a man of means?

Answer. No, sir.

Question. Has he ever been considered as a responsible and reliable man?

Answer. I should think not. I do not consider him a responsible or a reliable man. I do not consider him a safe man to do business with.

Question. Do you know the reasons why he was connected with the quartermaster's department, as he seemed to be?

Ans. I do not.

Question. Has he been largely engaged in buying horses and mules?

Answer. I think he has bought a good many. A great many have been bought by other parties here, through him.

Question. Do you know of any other transactions of this kind with other parties, further than you have already stated?

Answer. I do not think I do. The stock of McPike and myself was sold directly to Major McKinstry during my absence, and vouchers at \$119 a head came out in Neil's name. We have never yet received the money for them.

Question. How much did you get for the mules?

Answer. \$110 a head for the last lot.

Question. How much did you get for those which were sold directly to Major McKinstry?

Answer. \$110 a head.

Question. McKinstry, then, by buying from you directly, saved nine dollars on every mule?

Answer. Haskell or Neil did. The vouchers came out for \$119 a head.

St. Louis, October 18, 1861.

JOHN L. GANZHORN, being duly sworn, was examined as follows:

Question. State to the committee your residence and business?

Answer. I reside in St. Louis, and am keeping a feed store and hay press in this city.

Question. Have you sold any horses or other property to the government?

Answer. Not directly to the government. I have sold to government contractors.

Question. To whom have you sold?

Answer. I have sold to Flannigan, Ellard, Wheeler & Thomson, Saml. Buckmaster, and Jim Neil.

Question. How many horses and mules in all have you sold, and at what price?

Answer. As I kept no account I cannot say. I have only sold four mules.

Question. How many horses have you sold?

Answer. To the best of my judgment I have sold in the neighborhood of three hundred. Carmen and teamsters would come to me with their teams, for which they had no use, and tell me to sell them. I have also sold horses which I bought myself.

Question. And you sold them not directly to the government, but to government contractors?

Answer. Yes, sir.

Question. At what price?

Answer. From eighty-five to \$115.

Question. Did you receive the pay from those contractors generally?

Answer. Yes, sir. I have always received my pay, though sometimes I have waited longer than I expected to.

Question. What did these contractors do with the horses?

Answer. They turned them over to the government.

Question. At what price?

Answer. I cannot say positively, but I think they got \$119 50 or \$120 for cavalry horses. What the price for artillery horses was I never knew.

Question. Did you understand it was higher or lower than that?

Answer. Higher.

Question. What were these parties paying for artillery horses?

Answer. As high as \$118 and \$120. One contractor offered me as high as \$120, but he did not use me right.

Question. What contractor was that?

Answer. James Neil.

Question. What other transaction did you have with Neil, and in what respect did he not use you well?

Answer. I sold him only two mules, and I sold two to Shouler & Coffee.

Question. In what respect did Neil use you badly?

Answer. He was to give me \$100 each for the mules, but he gave me only \$90.

Question. Was that the only transaction you had with him?

Answer. No, sir; he came to me several times and told me that if I would furnish him horses he would give me \$120 for artillery and \$100 for cavalry horses; I brought him one day a lot of horses which I had bought, subject to inspection, of friends of mine who lived in the country—they brought me their horses, and I agreed to give a certain price if the horses passed inspection—three of those I wanted Neil to brand as artillery horses, he said he could not do that as they were not large enough; I told him they were heavy enough and large enough, and

that they were artillery horses; he said he could not take the responsibility of doing it; so rather than take the horses back I let the horses go, and he branded them as cavalry horses; I stayed there all day, and towards evening a police officer in the yard attempted to clear the yard; I thought something was wrong, and I stayed around and would not go out, or at least I thought I would stay until they forced me out, as I wished to see what was going on; Neil then sorted out, to the best of my judgment, 20 or 25 of the horses he had bought that day for cavalry horses and took them up to the fire and branded them as artillery horses himself; it is the custom to brand cavalry horses once on the shoulder and to put an additional brand on the hind quarter for artillery horses; three of the horses which he branded at that time as artillery horses were three of those which he purchased that day of me as cavalry horses, and which he refused that morning to take the responsibility of branding as artillery horses, and which, as he would not do that, I let him have as cavalry horses.

Question. What interest did you suppose Neil had in changing the brand?

Answer. The interest probably is to be found in the fact that the government allowed from twenty to twenty-five dollars more for artillery horses than for cavalry horses.

Question. Do you mean to say that Neil was acting as purchaser and government inspector at the same time?

Answer. Yes, sir; he paid me for the horses himself; he was the purchaser and inspector of horses, and he branded them himself.

Question. Who paid you?

Answer. James Neil.

Question. Is that the only instance in which you have seen him purchase and inspect horses at the same time?

Answer. Yes, sir.

Question. Is that the only instance in which you saw him, after he had purchased and accounted for horses as cavalry horses, put another brand upon them as artillery horses?

Answer. Yes, sir.

Question. Did you ever say anything about that transaction to him?

Answer. Yes, sir; the very same day I told him I wanted him to understand that three of those horses he had put the artillery mark upon were my horses. He said he had no time to talk with me, that he was busy. The next day when he came to pay me for the horses, I talked with him again about it. I told him I ought to have sixty dollars more, because three of the horses were artillery horses, and because he had promised me that all the artillery horses I would bring him he would give me \$120 each for. He laughed and said, take this or take nothing, handing me the price of cavalry horses. I did not consider him a responsible man, and therefore I took \$600 instead of \$660. I gave him a receipt, because I thought that rather than lose the whole of it I had better lose the sixty dollars.

Question. What kind of money did he pay you?

Answer. Missouri money.

Question. You have stated that the price of the horses ranged from

\$85 to \$115. What would be a fair average value of the whole of the horses you delivered?

Answer. I cannot tell. I have kept no account of them.

Question. What portion of the horses you furnished were branded as artillery horses?

Answer. I suppose I have been paid for 20 artillery horses.

Question. But you do not know how many were branded and turned into the government as artillery horses, which were paid for as cavalry horses?

Answer. I know of only those three. The same day there were other horses belonging to other parties treated in the same way.

Question. Had all the horses which were branded that evening as artillery horses been purchased that day as cavalry horses?

Answer. Yes, sir. Often when people brought horses they would pass inspection, and Neil would order the cavalry brand put upon them. They would contend that they were artillery horses, and claimed that two brands should be put upon them. But Neil would not do it. And they, rather than lose the sale of them, would let the horses go in in that way. They were on the ground and saw the artillery brand subsequently placed on their horses.

Question. You say you were determined to stay in the yard that evening. Did they order you out?

Answer. When the police officer said that gentlemen would leave the yard, I stepped out on one side, and stayed in.

Question. What was the name of that officer?

Answer. I do not know. There were two police officers there.

Question. Did police officers come there usually?

Answer. At almost every sale there would be one or more police officers there to keep order. There would be a good many sellers there, every one wanting their horses inspected first, and it was necessary for some one to be there to keep order. The contractor would sometimes appoint somebody to keep order, but on this occasion, a police officer for that purpose.

Question. By whom were the inspectors appointed?

Answer. I understood that Major McKinstry appointed them.

Question. Do you know anything further about these contracts?

Answer. I do not know that I know much about swindling operations, but I heard a great deal about them.

Question. What other transactions have you heard about?

Answer. I have heard that some of those inspectors would accept horses from some parties which they would not accept from others. They would accept for some parties horses which they had refused to pass for others.

Question. What considerations moved them?

Answer. I cannot certainly say. There is another transaction of Neil's that day, which now comes to my memory. There were persons in the city who were buying horses subject to inspection. Farmers from the country would bring in their horses, but not liking to go to this Neil, they would bring them to me. I would take the horses to the ground, and now and then the farmers would go with me. Neil knowing how this thing was working, refused to pass some of

my horses that day, saying they would not answer. I, of course, then turned them over to the farmers. Neil would then go around to the farmers and buy them for ten or fifteen dollars less than I was to give for them. He would then take them up to the fire and brand them. I saw him do that.

Question. In how many instances?

Answer. I saw him do it on two horses I took there myself, and which he rejected as not fit for service. He branded them and turned them over to the government.

Question. How much were you to pay for them?

Answer. I was to pay \$95, and in the instances I have mentioned he bought one for \$75 and one for \$80. I have heard other horse men say he did the very same thing every day.

Question. What other horse men?

Answer. I do not recollect who they were. It was rather exciting times there, and I did not pay any particular attention to the matter. I made up my mind never to sell him any more horses.

Question. When did this transaction occur?

Answer. I cannot say.

Question. About how long ago?

Answer. I do not recollect.

Question. Was it in August or September?

Answer. I think it was in the latter part of August. It was the last time that Neil bought horses in Broadway.

Question. Did you see in the papers his advertisement for horses, signed "James Neil, Inspector?"

Answer. No, sir.

Question. Do you know whether that was about the time he was purchasing for Wheeler & Thomson?

Answer. That was on the first contract that was given out here, and Neil was a kind of agent for those two men; but that was before this transaction of which I have spoken.

Question. He rose to the position of inspector after that.

Answer. Yes, sir.

Question. What is the fair average value of the horses which were purchased by the government during the months of July and August?

Answer. I should say that \$95 would be a fair average, leaving out the lot of horses that Ellard bought. Ellard paid perhaps \$105 for cavalry horses, and \$115 for artillery horses. All the other contractors would pay from \$85 to \$100, but seldom as much as a hundred.

Question. There would have been no difficulty in the government supplying itself with horses at that price at that time.

Answer. No trouble whatever. I have often thought it was singular that the government did not appoint men to buy at this price, and save the difference between that and what they are now paying.

Question. They could have been sold to the government at the same price.

Answer. I would rather have done so myself, and then there would not have been so much partiality shown, and the business would have been done in a straight forward manner.

Question. And the difference between the average \$95 and \$119 would have been saved to the government on each horse.

Answer. Yes, sir; leaving out Ellard's lot of horses.

Question. And with respect to Ellard's horses the government would have saved the difference between \$105 and \$119 on cavalry horses, and on artillery horses the difference between \$115 and whatever the government was paying.

Answer. Yes, sir. But there was no necessity for Ellard's paying as much as he did. The government could have bought them for \$95 as well as for \$105. He wanted us to bring in good horses, saying he had rather pay more for good horses. In his advertisement he stated that no old horses would be allowed upon the ground.

Question. Was he contractor and inspector both?

Answer. No, sir.

Question. Who inspected his horses?

Answer. Different persons.

Question. Is this the Ellard that had the beef contract?

Answer. Yes, sir.

Question. Do you know anything about that contract?

Answer. I do not.

Question. Do you know the gentleman who has the hay contract?

Answer. No, sir. I once put in a bid for the contract. An advertisement for proposals was put in the paper for supplying the arsenal with hay and straw, and being in the business I put in a proposal. I went to the arsenal to leave my proposal with Saxton. I did not see Saxton, but I found there a man whom Saxton had left in his office. That gentleman said it was of no use for me to leave the proposal there, that I had better leave it at McKinstry's office. I saw McKinstry and asked him whether it would be of any use to put in a proposal. He said he thought it would. I went home, wrote out the proposal, and took it to him that evening. I went there several times afterwards, and Major McKinstry said he had never got those proposals from the arsenal. While he would treat me very well he never would do anything about the contract. It occurred to my mind that I was, in fact, the only bidder. I understood afterwards that this Pease, a connexion of McKinstry's family, was buying a great deal of forage for the government.

Question. At what price?

Answer. I do not know.

Question. What was your bid?

Answer. I cannot say positively. I think it was 75 cents a hundred for straw and 80 cents for hay, to be delivered at the arsenal nicely done up in bales. I am not certain but that both bids were 75 cents. I know I altered the contract once.

Question. What is the qualification of Saxton, who is inspecting horses now, for that business?

Answer. He is considered by every horse man in town, as you can find out by inquiry, as not qualified to judge of a horse. From my own personal observation I know he knows nothing about a horse. He cannot tell whether a horse is spavined or even blind, unless entirely so.

Question. Have you seen him pass unsound horses?

Answer. I have. He has improved somewhat now by his experience in the government service, but the government has paid dearly for his experience. Possibly he may now be able to tell the age of a horse.

Question. Have you ever known unsound horses to pass other inspectors?

Answer. I have, though seldom. Sometimes the best horse judges will be deceived. However good judges they may be, they will be mistaken occasionally.

Question. But you have seen many mistakes of this man which you attribute to ignorance?

Answer. Yes, sir.

ST. LOUIS, *October 18, 1861.*

JAMES M. BRADSHAW, being duly sworn, was examined as follows:

Question. Are you in the army of the United States? And if so, state your position.

Answer. I am in the army, and the duty assigned to me has been to take care of the land transportation of horses, mules, wagons, harnesses, to see to the transportation of troops from off boats and cars to their camps, and from their camps on to boats and cars again; also to see to the shipping of stock to the different divisions of the army throughout the State.

Question. Have you any knowledge of any contracts which the government has made for the purchase of horses, or any knowledge of the purchase of horses for those who have contracts?

Answer. No, sir; I know nothing of those matters. I know that Major Allen has purchased a few horses since I have been here, and ordered me to inspect them. He has authorized me, within the last four days, to purchase a few mules.

Question. Have you charge of all the government horses and mules here?

Answer. Yes, sir.

Question. How many are there?

Answer. There are no mules of any consequence here; there were only twenty or twenty-five yesterday. We have shipped all our mules up to General Pope. We have some four hundred horses here which are pretty much worthless; they were turned over to me when I took charge of the transportation.

Question. By whom?

Answer. By General McKinstry.

Question. By whom were they bought?

Answer. By McKinstry, and inspected by his inspectors.

Question. Do you know the names of those inspectors?

Answer. I know the names of some of them.

Question. Have you examined the horses?

Answer. I have.

Question. State the number of horses that are worthless.

Answer. I think there are between three and four hundred who are not worth twenty-five dollars apiece.

Question. Were they worthless when purchased, or have they become so since?

Answer. I cannot answer that for a certainty; some of the horses appear, on first inspection, to be sound, but some of them are spavined, some wind-broken, some blind, and some sore back, and I would not feed them for them.

Question. What is to be done with those horses?

Answer. I spoke to the quartermaster about them, and he said it was useless to feed them, and we ought to dispose of them. I suppose I am getting myself into trouble about them; they were turned over to me, and I receipted for a part of them, and for a part of them I gave no receipt, thinking I would receipt for the remainder of them as in bad condition; I receipted for what I supposed to be a passable lot, and the remainder I thought I would not receipt for; and now McKinstry's clerk says he is going to invoice them to me, and take an affidavit from the inspector that the horses are good and all right.

Question. What is the name of that clerk?

Answer. Clements.

Question. Do you know him?

Answer. I do.

Question. Is he in the quartermaster's department now?

Answer. He is settling up the business of McKinstry. He told me that if I would sign the receipt for the balance of the horses, that is a lot of stampede horses, he would fix it all right as to the remainder. He says now he will invoice all to me, and take the affidavit of his man that they are all right, and then hold me responsible. I also receipted for one hundred horses more than I got. I made an order upon McKinstry's man, that had the horses, for one hundred horses; and then the man who took the horses receipted for the one hundred; and this man charges me with both the order and the receipt. I contend that the order is not worth anything unless the receipt is upon the back of it.

Question. Have you been called upon by some of the men who have been selling horses to certify in regard to their accounts being just and true?

Answer. I have in regard to mules.

Question. Have you declined to make the certificate in the form they requested, and made it in your own way?

Answer. Yes, sir.

Question. For what reason?

Answer. Mr. Worth and Mr. Palmer called upon me with vouchers or bills of purchase to sign, and I told them I thought it my duty as a public officer to know, when I signed a voucher, that they had a contract to furnish such stock, and therefore I demanded that they should show me a written contract with any officer of the government, saying that if they had a written contract, which was regular, I would sign the bill of purchase; they said they had a contract; I asked them from whom; they said it was not necessary I should know

that, but that they had a contract; I told them to show me the contract; they declined doing so, saying that other quartermasters had signed their bills of purchase, and that I ought to do so; they wanted me to sign a voucher substantially in this form: "I certify that the above account is just and correct, and that I will account for the property above named in my quarterly account ending the 31st of December." I told them if there should be any difficulty about such vouchers hereafter, and they could not produce any written contract, that all the responsibility for the purchase of the mules might be thrown upon me, as I had certified that the account was correct and just, implying that I knew all about the contract, which was not the case. Therefore I told them I could not sign the voucher. They then appealed to Major Allen upon the subject; he came up and I explained the matter to him; he said if I was conscientious about it, I ought to sign the voucher in my own way. I therefore receipted for the property, stating simply that I had received it and would account for it in my quarterly return, but I would not certify that the account was just and correct unless they would produce a written contract.

Question. Do you say that Palmer and Worth came to you with Allen?

Answer. No, sir; they came to me first and asked me to sign the vouchers.

Question. And that you declined to do?

Answer. Yes, sir; they then went to Major Allen, and he said my objection was a good one, and that he would not advise me to sign the vouchers; I told him that if he would give me a few lines, authorizing me to sign them, I would do so, as he was my superior officer; he said he would not direct me to do so, unless I wanted him to do it; I declined to make such a request. After Allen went away these men came back, got very angry, and insisted that I should sign the vouchers. I expected to be removed from my place, because they made their boast that they would remove an officer.

Question. To whom have they made that boast?

Answer. Captain Turnley said they had made their boasts to that effect. He said they had removed him to Jefferson City.

Question. Has he not been brought back again?

Answer. Yes, sir.

Question. Is he acting under Major Allen?

Answer. Yes, sir.

Question. Do you know Major Allen?

Answer. Yes, sir; I see him every day; he is sick and not able to leave his room.

Question. Had these men, Worth and Palmer, a large number of mules which they wanted to put into the government?

Answer. Yes, sir.

Question. Have they been received, except in the way you have stated, by any other quartermaster?

Answer. Yes, sir; I think they were received by Captain Turnley.

Question. The same mules?

Answer. No, sir; another lot before this. Whenever the government needed anything these men were always on hand to get the

government to buy of them; and when a man wanted to furnish anything they seemed to be there; they were after me to buy things; they had 200 sets of mule harness on hand, and they wanted me to take them; I declined to purchase the harness until the government needed it; one day we did need the harness to send off, and I told the men I would take what they had, no price being fixed. Before I took the harness I had it unboxed and had it inspected by two harness-makers, and they reported to me that they would furnish me as good harness at \$52 a set. Two or three weeks afterwards they presented their bill, made out at \$68, and they did not like it because I cut it down to \$52. I had been in the habit of buying harnesses of harness-makers, and I found out that these men had bought the harness for \$48 a set.

Question. How did they get the authority to make this purchase?

Answer. I do not know; they said all the time that General Frémont gave the order.

Question. From what source did you understand that they paid only \$48 a set?

Answer. I was informed so by the man who made the harness. I paid them \$52 a set.

Question. Had you previously bought harness from the same man from whom they purchased this harness?

Answer. No, sir. The harness was made by Grimsley & Co., and as I understood they were secessionists I would not buy of them. McKinstry had given orders that quartermasters should not buy of secessionists. But persons who had contracts or orders bought of secessionists, and turned the articles over to the government at an advanced price.

Question. You have stated that Palmer & Worth came to you with an account made out for horses and mules, which they requested you to certify in a certain way. In what manner were the vouchers made out — as so many horses and mules at a certain price?

Answer. For so many mules, at \$119 a head; and they requested me to certify to the correctness of the voucher, not only as to the number of mules, but as to the facts.

Question. For what price were the mules first purchased?

Answer. For from \$85 to \$105 a head, and these parties turned them into the government at \$119 a head. Haskell & Co. had all the mules to purchase, and nobody could furnish mules but Haskell. They would purchase mules from every source — from stock traders and livery stable men — at \$100, \$105, and \$108 a head, and they made an agreement from those they purchased that they would take the mules, have them inspected, get the vouchers for them, and divide the vouchers up, giving the other parties the pay for their stock in that way, themselves keeping the difference between the prices I have named and \$119 ahead.

Question. If Haskell had a general authority to purchase mules, how did it occur that Palmer and other parties were connected with the matter?

Answer. They said they were doing business for Haskell. Haskell was appointed on the staff of General Frémont as commissary, with the rank of captain, and then Captain Turnley objected to taking any

of Haskell's mules because he, being an officer in the army, had no right to make such purchases for the government. After that was ascertained, Palmer & Worth took charge of the mules, and made out the accounts in their own names.

Question. Did they do this with or without a contract with the government?

Answer. There was no contract.

Question. State at what price the government could itself have purchased mules in St. Louis during the time this transaction was going on.

Answer. At Indianapolis mules were purchased at from \$75 to \$100, and I do not see why they could not have been bought here in Missouri and in Illinois as cheaply as they were purchased there. There was a Dr. Graff here from Iowa who furnished mules for a regiment which was fitting out in Iowa, and he told me that he bought mules for \$85 apiece. He had authority to pay as high as \$125.

Question. What did he charge for them to the government?

Answer. I do not know. I think mules could have been bought by the government for from \$100 to \$105 apiece. I can buy good mules to-day for \$105, and they are higher now than they were then.

Question. Were you understood to say that you receipted for all, or for only a part, of the 400 horses which were comparatively worthless?

Answer. A part of those horses—I do not remember how many—were condemned horses, and I receipted for only a part of them. General Frémont has ordered me to exchange good horses for broken down horses from various regiments. I objected to do so the other day without a board of survey condemned the horses according to army regulations.

Question. Is Colonel Fiala authorized to sign General Frémont's name here at General Frémont's headquarters?

Answer. I do not know. He told me that if I did not exchange these horses immediately and without delay he would hold me personally responsible to General Frémont. I got a requisition signed in General Frémont's name by Colonel Fiala, ordering me to exchange sixty or seventy horses which were not fit for service for good ones. I told the man that I wanted them condemned first before I took them back. He said he had marching orders, and he must have the horses immediately. I refused to do as he desired, and he said he would report me to General Frémont. I told him I could not help that. I then made the exchange without a survey.

Question. So you got poor horses in the place of good ones?

Answer. Yes, sir. Sometimes orders would come to me for other property, and I would want it done according to the regular way of doing business, but could not get it done. General Frémont once sent me word that he had not time to do that, and that I must issue everything that men wanted immediately and without delay. I have done so, and have sent off hundreds and thousands of dollars' worth of property without any written orders. I sent off 100 wagons by General McKinstry's order. The whole burden of sending off property has fallen upon me, and I have no receipt for what I have sent away, though it was my duty to get receipts.

Question. When you asked that the army regulation should be complied with, you were ordered by superior authority to furnish the articles without receipts or anything else?

Answer. Yes, sir; and that I must not delay the matter. Property is frequently sent to certain points, and the quartermasters to whom they are sent send back word that the property does not come according to the invoice of the goods to them. At stations where the goods pass the regiments there take off whatever they want; if they want wagon bows, they would take them; if they wanted wagon tongues, they would take them; and so it happened that very few of the articles went entire if they could possibly be divided. So, much of the property never got to the place of destination. I sent ten wagons up the country to somebody, and General Seigel took them for his own use before he got there, and then another general took the wagons from Seigel, and I got no receipt for them. I have no receipt for anything I sent up to Captain Nevill, quartermaster at Jefferson City, and he denies that he has received anything. I suppose I am in for some two or three hundred thousand dollars' worth of property. I know I have not appropriated it to myself, but it is scattered to the winds, and I do not know that I shall ever get my accounts straightened out.

Question. Has a superior officer the right to command you to violate all the ordinary army regulations?

Answer. I do not know.

Question. What knowledge have you of the connexion of Palmer & Haskell with purchases for the army?

Answer. Captain Turnley told me that he received an order from General Frémont, stating that there were 6,000 overcoats here which the army needed very much, and that he should try to strain the credit of the government, and get the overcoats. Turnley went to a man who had money here, and told him what General Frémont wanted, and asked him if he would advance the money for them. He said he would do anything to accommodate Frémont or the government, and inquired how much money it would require. Turnley said he would see the man who had the overcoats. He did so, and found that the man wanted \$8 each. That would make the amount required \$48,000. Turnley perfected the arrangement for raising the money, and then went after the overcoats. He was informed then that the overcoats had been transferred to other parties for the government. Turnley went to see them, and they said they wanted \$10 60 apiece for the overcoats. Turnley then said he would have nothing to do with the overcoats. I understood that these parties were Palmer and Haskell.

Question. What other contracts had those parties for furnishing articles to the government?

Answer. I know of none, unless it was for forage. They furnished a large amount of hay and oats. There were some 36,000 bushels of oats taken to Jefferson City, *and they lie there now on the bank rotting.* My wagon master came back from there yesterday, and he told me so.

Question. Who receipts for the articles so furnished?

Answer. They are not receipted for at all. These steamboat and railroad men will not receipt for anything.

Question. Do you know at what price this hay and oats have been furnished to the government?

Answer. I do not. The hay I got from the same parties was baled up, and appeared pretty good upon the outside, but it was very poor. They said if it was poor we must condemn it. The sacks of corn which were to average one hundred and thirty-three pounds, weighed only one hundred and twenty-eight pounds. My forage master weighed all the corn, and these parties made up the difference afterwards.

Question. Do you know of the government receiving 1,500 pounds of hay for a ton?

Answer. No, sir. All the government business about here has been done in a worse manner than I have told you.

Question. Do you know anything about the ice which was sent to Jefferson City?

Answer. I do not, though I have heard a good deal about it?

Question. Do you know anything about the beef contract?

Answer. I only know that a man from Madison told me that Steinberger said if he would go in with him they could get the contract, and make something nice out of it. He told me what their plan was, but they did not get the contract.

Question. Who got the contract?

Answer. Doctor Mack, of Illinois, I believe.

St. Louis, October 18, 1861.

THOMAS DUNN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am in the horse business.

Question. Have you bought any horses for the government?

Answer. I have bought some for government purposes.

Question. To whom did you sell them?

Answer. I sold them to these contractors.

Question. What contractors?

Answer. Some of them to Thomson & Wheeler, and some to Ellard. Most of them were sold to Ellard.

Question. How many did you sell?

Answer. I cannot say. I suppose some seven or eight hundred.

Question. Who inspected those horses for you?

Answer. Different inspectors, but I had nothing to do with the inspection of them.

Question. Did you sell them to these persons subject to inspection?

Answer. I did.

Question. Do you know anything about Neil's connexion with it?

Answer. I have sold no horses to Neil.

Question. Do you know Neil?

Answer. Yes, sir; if you mean Jim Neil.

Question. Do you know anything about his branding horses?

Answer. Yes, sir; I saw him branding some horses one afternoon.

Question. How did he brand them—as cavalry or artillery horses?

Answer. I saw him brand them both.

Question. Did you ever see him brand the same horses, first as cavalry and then as artillery horses?

Answer. Yes, sir.

Question. Where?

Answer. Up in Broadway, in this city.

Question. State the circumstances.

Answer. I was in the lot where they were inspecting horses, looking on. I was waiting to get some horses down from the country upon the cars, and I saw him inspecting and branding horses. I saw him brand both cavalry and artillery horses.

Question. Did he put both brands on at the same time, or at different times?

Answer. I saw him brand them both at the same time.

Question. Do you know of his branding horses as artillery horses which he had bought as cavalry horses?

Answer. I did not inquire into the matter, but I saw him take one or two horses and brand them as artillery horses after they were branded as cavalry horses.

Question. Was that after the sellers of the horses had gone away?

Answer. Yes, sir; I saw him do it after the persons who sold them had gone away.

Question. Do you know that Neil bought them of those men as cavalry horses?

Answer. I heard a man make the remark that he had sold a horse as a cavalry horse and the same horse was afterwards branded as an artillery horse.

Question. Who was that man?

Answer. I cannot tell his name, though I know the man very well by sight. I believe he belongs here in town.

Question. Do you know of any other matters of that kind?

Answer. No, sir.

Question. What other horses have you sold?

Answer. I have not sold any horses to those bob-tail contractors, as we call them. We have a large lot of horses on hand, but the way they are buying horses we had better keep them than to give them away.

Question. Why?

Answer. The reason I made that remark is that such men as have come from the country and bought me horses have not got the money for horses which they sold a month ago. I very easily got the money for the horses I sold the day after they were sold.

Question. What class of men do you include under the name of bob-tail dealers.

Answer. Well, I cannot give their names.

Question. Do you know of any other matter or thing connected with those transactions which it is important for this committee to know?

Answer. No, sir.

St. Louis, *October 18, 1861.*

JOHN ALLEN, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. In this city.

Question. What is your business ?

Answer. Trading in cattle, hogs, sheep, and horses.

Question. Have you any contract with the government for furnishing any of those animals ?

Answer. I furnished a lot of horses and mules to a contractor by the name of B. F. Fox, of Illinois.

Question. Where were the horses delivered ?

Answer. Here in St. Louis.

Question. To whom ?

Answer. To Mr. Fox.

Question. What did Fox do with them ?

Answer. He delivered them to the government.

Question. What price did he pay you ?

Answer. He paid me \$105 for cavalry and artillery horses, and \$109 for mules. He gave me government vouchers for them at that price.

Question. What do the government vouchers call for ?

Answer. I have them here. They call for \$119 for mules ; \$119 for cavalry horses, and \$150 for artillery horses.

Question. And that is what he got from the government ?

Answer. I suppose so.

Question. He then was a middle man between you and the government ?

Answer. Yes, sir.

Question. Would you have sold them to the government at the same price you sold them to Fox ?

Answer. I would have sold them for that price to anybody.

Question. Do you know who inspected them ?

Answer. Saxton and Daniels.

Question. Who furnished you with those inspectors ?

Answer. The quartermaster.

Question. Are you certain that Fox lives in Illinois ?

Answer. Yes, sir.

Question. What relation is he to Mr. Fox, of the firm of Child, Pratt & Fox, of St. Louis ?

Answer. A brother.

Question. Has he been engaged in the horse business to any extent ?

Answer. He has furnished the government with a good many horses.

Question. Had he, to your knowledge, been in that business prior to the breaking out of the disturbances here in St. Louis ?

Answer. I think he had been. He said he had a good many mules in Illinois to be inspected there ; I understood him to say he had between two and three hundred.

Question. What do you know of his connexion with the government contracts ?

Answer. I know he put in some horses and mules under Haskell's contract.

Question. Did you furnish Neil with any money for any purpose?

Answer. I did not; I put in some mules under him and waited for the money until he got it from some other sources.

Question. What was that transaction?

Answer. I let him have a lot of mules at \$110 a head, and they were put in under the Haskell contract at \$119.

Question. By whom were those mules inspected?

Answer. By Saxton.

Question. Did Neil have anything to do with the inspection?

Answer. No, sir.

Question. Did you trust Neil?

Answer. Yes, sir; and he was to pay me as soon as he got the money for the stock. I held the government vouchers until he got the money.

Question. Who did you get the money of?

Answer. I got the money at the quartermaster's office, or the paymaster's office.

Question. In what were the vouchers paid?

Answer. In Missouri funds, and I got the money when it was paid.

Question. Who paid you the money?

Answer. I was in the office when Neil received the money, and I got it of him.

Question. Was that at the quartermaster's office?

Answer. Yes, sir.

Question. Did you receive Missouri money in the quartermaster's office?

Answer. That was where I received mine.

Question. Was it in Major McKinstry's office?

Answer. It was not exactly in his office, but in the treasurer's office. There were fifty or sixty thousand dollars of Missouri money paid out there that day.

Question. At the assistant treasurer's office?

Answer. That was where I saw the money counted out and taken away.

Question. Who was the assistant treasurer?

Answer. William Hahn. He is a young man whom McKinstry brought up.

Question. What reason did they give for paying you in Missouri money instead of gold and silver?

Answer. Those mules were to be paid for in Missouri money. That was what I agreed to take.

Question. Were the government vouchers paid in Missouri money?

Answer. That was the place where I got my money, any way.

Question. You say you saw \$60,000 in Missouri money paid and carried off. Was that paid in payment of government vouchers?

Answer. I cannot say positively, but that was my impression.

Question. Was that in the same building with the quartermaster's office?

Answer. The quartermaster's office is in one room, and fifty feet back of that was where I saw the money counted out.

Question. Who counted it out?

Answer. Mr. Hahn, the young man brought up by Major McKinstry.

Question. At what time was this?

Answer. I do not know as I can tell exactly. I think it was about the 23d or 24th of September last.

Question. You are confident that this Missouri money was paid out there upon government vouchers?

Answer. I am not sure that it was paid out upon government vouchers. I know that was where I got my Missouri money.

Question. Do you not know that the vouchers you held were paid in Missouri money?

Answer. I do not. I handed the vouchers to Neil, and he handed it over to Hahn. I did not see the money counted out to Neil, but it is my impression that the money I received came from Hahn. I got the money in that room before I left it.

Question. You would have preferred your pay in gold or treasury notes?

Answer. Certainly.

Question. Did you see this man Fox, of Illinois, about the quartermaster's department?

Answer. I saw him there nearly every day.

Question. Did he happen to be upon intimate terms with the quartermaster?

Answer. I do not recollect of seeing any particular intimacy between them. He is a man of such a disposition that he would not likely be intimate with any person.

Question. What were your facilities for furnishing the government with the kind of stock they wanted?

Answer. My facilities were these: that men having stock on hand wanted to bring it to me to put in to the government. I had been a long time a resident of Illinois, was acquainted with a great many stock dealers there, and could have furnished from one thousand to one thousand five hundred head of horses and mules without any difficulty, and would have been glad to have furnished them to the government at the price I got from those parties. I had the horses I sold on hand, and was compelled to sell them. I would have preferred dealing directly with the government, and getting the pay which other parties are getting.

Question. Why did you not deal directly with the government?

Answer. Because the business was in the hands of such men that I could get no show, after trying every plan I could. I finally came to the conclusion that there was no chance to do anything except through other men, after every effort upon my part to get a contract with the quartermaster's department.

St. Louis, October 18, 1861.

JOHN H. BOWEN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am in the transportation business.

Question. Have you had any contract with the government?

Answer. I have had a transportation contract for three years, and in July last I took a contract to furnish horses and mules to the government.

Question. Who was interested in that contract with you?

Answer. Asa S. Jones.

Question. Did you dispose of any part of that contract?

Answer. I disposed of my interest in it.

Question. To whom?

Answer. To Mr. *J. P. Wheeler*.

Question. Did a man by the name of Thomson have anything to do with it?

Answer. No, sir.

Question. Why did you dispose of your interest in it?

Answer. Because I was obliged to leave here.

Question. What did you dispose of it for?

Answer. \$5,000.

Question. For how many horses was the contract?

Answer. 471 horses and mules.

Question. Did you receive your pay?

Answer. I received it from them when they received it from the government.

Question. Who paid it to you?

Answer. Mr. Wheeler.

Question. Where?

Answer. In McKinstry's office.

Question. In what kind of money did he pay you?

Answer. In treasury notes.

Question. Had you any conversation with Major McKinstry in regard to that matter?

Answer. None in the world. When I sold to Wheeler, I told McKinstry I had assigned my contract; I told him at the same time that Wheeler was a good man; that I was going away but would be back, as I wanted to be here when the money was paid. He said if I was here it would be all right.

Question. Did Wheeler or McKinstry pay you this money?

Answer. Wheeler did.

Question. Do you understand that Thomson had an interest in this matter?

Answer. I understood that he had, and that he was a partner in the concern, or rather that he was buying horses for them.

Question. Before this time did you have any conversation with McKinstry in regard to this contract?

Answer. No, sir.

Question. How did you get the contract?

Answer. A proposal for bids was published, and I put in my bid.

Question. What was your bid?

Answer. \$119 a head.

Question. You put it in to Major McKinstry?

Answer. Yes, sir.

Question. And it was upon your bid that you took the contract?

Answer. Yes, sir. I was the lowest bidder, and I took Jones in as a partner with me.

Question. What were the circumstances under which you put in that bid?

Answer. My proposal was that I would furnish the horses and mules, as per the advertisement, for \$119 per head.

Question. Where did you put in the bid; at the quartermaster's office?

Answer. Yes, sir; the day before the proposals were to be opened.

Question. Who else had bids in at the same time?

Answer. Sixteen or seventeen others.

Question. Were you present when the bids were opened?

Answer. Yes, sir.

Question. Did you, or did you not, put in a bid there right upon the spot?

Answer. No, sir. I never wrote but one bid, and never had but one bid.

Question. Was there a bid put in very nearly the same as yours?

Answer. Yes, sir; there was one half a dollar higher.

Question. What did McKinstry say in regard to the bids?

Answer. He read off the bids and stated who was the successful bidder. And it was written out and put upon the public bulletin board who the contract had been awarded to.

Question. Was something said about your bid and that of Jones being so nearly alike that you should divide the bids between you?

Answer. No, sir; except between Jones and myself.

Question. What kind of funds did you agree to take from Thomson?

Answer. I had nothing to do with Thomson. I never had any conversation with him upon the subject.

Question. You say you had no personal knowledge of Thomson?

Answer. I knew the man and have known him a number of years.

Question. Did you see him at the quartermaster's office?

Answer. Very often.

Question. Did you see him at the time the bids were put in or opened?

Answer. No, sir.

Question. Did any change take place in the bids?

Answer. Not that I know of.

Question. Had you been dealing in horses before this?

Answer. Some six or seven years ago I furnished some horses to the government for the Utah expedition—or rather to another contractor.

Question. Did McKinstry, at the time the bids were opened, take up your bid and speak of it as the lowest bid?

Answer. He read off all the bids.

Question. Why did McKinstry say there must be a division between you and Jones?

Answer. He never said so that I am aware of.

Question. How came you and Jones to be interested in the contract jointly?

Answer. I knew Jones was going to bid at the same time, and when the bids were opened it was ascertained that his bid was \$119 50 and mine \$119. We then, of our own account, agreed to divide the contract, as I was afraid that I should have to leave, and I knew from the position of his father-in-law that he could better attend to the business here than I could.

Question. Had Jones any capital at the time?

Answer. I do not know whether he had or not, though he told me his father-in-law would go upon his bond.

Question. Had you any capital?

Answer. Yes, sir; sufficient to carry that contract through.

Question. You sold one-half of your contract?

Answer. I sold the whole of my interest afterwards to Wheeler.

Question. Then you gave up to Jones what was equivalent to \$5,000?

Answer. No, sir; Mr. Jones and myself were equally interested in the contract, and I sold my interest for \$5,000.

Question. Then for no other reason than you have mentioned you let Jones into a contract worth to him \$5,000?

Answer. Yes, sir; but I would not have let any one into the contract if I had known that I should remain here. The morning after the bids were opened I found I had to go to Hannibal.

Question. McKinstry said nothing about dividing the contract between you?

Answer. Not to my recollection.

Question. What particular relation existed between McKinstry and Jones?

Answer. None that I know of.

Question. Have you been upon intimate terms with McKinstry?

Answer. Yes, sir; I am connected with the packet company, and have been transporting a large amount of freight for the government.

Question. Had you any transactions with McKinstry previous to that?

Answer. No, sir.

Question. What transportation have you done for the government?

Answer. I have had the transportation of most of the government stores from St. Louis to Fort Leavenworth, and to forts on the plains—that is, I was acting as the agent of the Hannibal and St. Jo. Railroad Company. I also negotiated the purchase of the steamer *Minx*, which belonged to the United States, with the quartermaster, and paid the government in transportation for it, though the contract was finally consummated at Washington.

Question. At what rates have you performed those services of transportation?

Answer. We charged the usual rates on most of the freight, and, until we purchased the *Minx*, at rates less than we could ship by the river. When we purchased the *Minx* for \$10,000, we agreed to pay for it in transportation five per cent. less than any other route would take the freight for.

Question. How happened you to make the suggestion to McKinstry in relation to retaining this \$5,000?

Answer. After I sold out to Wheeler, some friend of mine, whom I do not recollect now, told me that Wheeler was a pretty shrewd Yankee, and that? had better look out; and I concluded that I had better be about when the money was paid and get it into my hands.

Question. Did you consider McKinstry as shrewd a man as Wheeler?

Answer. I always considered McKinstry a pretty shrewd man.

Question. What did you do with that \$5,000?

Answer. I took it and sold it for gold, and deposited the gold with the institution I had business with.

Question. What was the difference between treasury notes and gold?

Answer. I got gold by paying two per cent. premium. I did not get so much as I expected. I did not get par in gold.

Question. At what bank did you deposit the gold?

Answer. In the German Saving Institution.

Question. At what time was this?

Answer. The 28th of July.

Question. Was any person interested with you to any extent; and if so, to what extent, in the sum of \$5,000 which you received on that contract?

Answer. Yes, sir; there was.

Question. Who?

Answer. J. S. Pease.

Question. Who is J. S. Pease?

Answer. He is a citizen of this place, and has been so for 25 or 28 years.

Question. What interest had he in this contract?

Answer. He had one-third of it.

Question. How came he to be thus interested?

Answer. Pease and I had been interested together in several little speculations, and I gave him an interest in this contract, and he attended to it.

Question. What attending to it was there?

Answer. We were engaged in business together. He was doing business as secretary and cashier of the Pilot Knob Iron Company. He had a business house on Main street, and was doing storage for the government.

Question. What connexion had J. S. Pease with Major McKinstry?

Answer. He is a relation of some kind—a distant relation—I believe.

Question. Is he about the quartermaster's office a great deal?

Answer. Yes, sir.

Question. Did not he have a hand in everything going on there?

Answer. He had a hand in all the storing.

Question. What reason was there that you should take Pease in and give him \$2,500?

Answer. Because I was a partner of his in the storage business.

Question. Was not this matter an outside matter?

Answer. Yes, sir; but it was the understanding that if I got a contract he should have an interest in it.

Question. Was it not another understanding that if he got a contract for you he should have a part of it?

Answer. No, sir.

Question. Are you in the habit of dividing in that way?

Answer. Yes, sir; always with a partner. Before I put in the bid it was understood that Pease should have an interest in it.

Question. Did you not suppose that there was some influence which Pease could exercise in getting the contract?

Answer. No, sir.

Question. Was it not natural that you should suppose he had influence with McKinstry?

Answer. I do not know.

Question. Did you not suppose that Pease could get access to McKinstry more readily than you could?

Answer. No, sir. I know that I had often been to McKinstry's office upon freight business, and I never saw that business given to any one but the lowest bidder. I lost business several times because I was not the lowest bidder.

Question. Do you know of Pease ever having a conversation with McKinstry about this matter?

Answer. I think he never had, and I know he never told me that he had.

Question. Do you know that when something was said about his paying this money over to Wheeler, McKinstry said he would not do it because some other parties were interested in it?

Answer. No, sir.

Question. If McKinstry had any such knowledge as that, from whom would he be likely to have received it?

Answer. Most likely from me.

Question. Did you tell McKinstry that Pease was interested?

Answer. I did not. I do not know that Pease ever had a conversation with McKinstry upon the subject.

Question. Then you made only \$2,500 out of the contract?

Answer. That is all.

Question. Of the sum you received you paid Pease one-half?

Answer. Yes, sir.

Question. But Pease did not put in a bid with you, and had no interest in it at that time?

Answer. He had no interest, for he understood that he was to be jointly interested with me if I got the contract.

Question. Why, then, did not the bid go in Pease's name as well as in yours?

Answer. Because it was understood that I should make the bid, and that he should be jointly interested with me, and furnish his portion of the capital required, if I had gone on and carried out the contract myself.

Question. Then you consider him as much interested in the matter as yourself?

Answer. Yes, sir; he was a silent partner in the matter. Pease, on a previous occasion, had purchased some horses for the quartermaster's

department; and though I was not here at the time the purchase was made, yet a portion of the profits were placed to my credit.

Question. To what amount?

Answer. The profits on some 50 or 60 horses and mules.

Question. What was the amount of the profits so passed to your credit?

Answer. About \$400.

Question. Did you consult Mr. Pease prior to selling out your interest in the contract to Wheeler?

Answer. Yes, sir.

Question. Did he agree to it?

Answer. Yes, sir.

Question. As Pease could have attended to this contract, which was worth \$5,000, why did you not leave it for him to attend to, instead of selling it?

Answer. Well, I thought we could make by selling it as much as we cared to make out of it. \$5,000 was as much as we wanted.

Question. If Pease was originally interested with you, why could not he have attended to the matter, and thus have saved to yourselves the whole profits?

Answer. Well, I did not exactly like Pease's way of doing business. I did not like the manner in which he had before bought some horses.

Question. Had you confidence in Jones's buying horses?

Answer. After selling out to Wheeler, Jones ran his own chances. I was satisfied with the \$5,000.

Question. Then you think that when Pease was appointed by McKinstry to buy horses, McKinstry did not make a good selection?

Answer. Pease bought horses low enough, but he did not make money enough on them; that is, he did not swindle the government enough. He furnished horses cheaper than anybody else. I thought that when we got \$119 for our horses, we would not be swindling the government much.

St. Louis, October 19, 1861.

FREDERICK HAMAN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a brickmaker.

Question. Have you sold any horses to the government, or to any persons for the government?

Answer. Yes, sir.

Question. Who inspected the horses for you?

Answer. Dr. Taylor and Major Varian.

Question. Did you have any difficulty in getting your horses inspected?

Answer. Sometimes.

Question. What difficulty did you experience?

Answer. I do not know as we had any difficulty exactly in getting them inspected. I suppose we had some horses once in a while which were not very good.

Question. Did you finally get them passed?

Answer. Yes, sir.

Question. How?

Answer. It cost a little money once in a while.

Question. How much?

Answer. At one time we had a lot of horses that were not very good, and I paid \$50 to Dr. Keller and Major Varian to get those horses through. I made a bargain with Dr. Keller.

Question. What was the bargain?

Answer. I told him that if he would get the horses through I would pay him \$50. They were pretty sound horses, but without paying something I could not get them through. Bad horses were being put in, and good ones rejected; but I was not as well acquainted with the manner of doing things as some others were, and I finally concluded that I had better let \$50 slip and get them in rather than have the horses on my hands. I said to Keller, "I will tell you what I will do; if you will get the horses in for me I will give you fifty dollars." He said he would do his best to get them in. He said my horses were good sound horses, otherwise he would not take them.

Question. What did you do?

Answer. I paid him the \$50.

Question. Did you take a receipt?

Answer. No, sir.

Question. Do you know that others were obliged to pay money for the same purpose?

Answer. I have understood so. I have never seen anybody pay anything, but I have understood from other people that there was no use in trying to put horses through unless they paid something.

Question. How many horses did you have at that time?

Answer. We had 41.

Question. Whom were you selling to?

Answer. To Mr. Flannigan.

Question. At what price?

Answer. The first horses we brought in we got \$97 50 for, and for the next lot we got \$100.

Question. What did you get for those which you paid \$50 for getting in?

Answer. We paid nothing upon the first lot, but upon the second lot we paid \$50. That lot included three which had been rejected from the first lot, and they went through with the others.

Question. Who inspected them?

Answer. Dr. Keller and Major Varian. Varian had rejected the three from the first lot.

Question. Did you pay anything at any other time?

Answer. No, sir.

Question. When was it that you paid this money?

Answer. It must have been some time in September; the exact date I cannot state.

Question. Who branded the horses?

Answer. They were branded by some person employed in the stable there.

Question. By whose direction?

Answer. By the direction of Keller & Varian. They took some laboring man at the stable to do the work.

Question. Did they brand your horses as cavalry or as artillery horses?

Answer. Most of them were branded as cavalry horses; thirteen were branded as artillery horses.

Question. Did you get for artillery horses a higher price than you did for cavalry horses?

Answer. No, sir; we got \$100 a head for the lot.

Question. How were you paid for them?

Answer. In bankable funds.

Question. Did you pay anything to any person but Dr. Keller?

Answer. No, sir.

Question. Did you pay him anything more than once?

Answer. We paid him twice—\$25 each time.

Question. For different lots of horses?

Answer. No, sir; for the same lot, which was inspected on two different days.

Question. Had you applied frequently before to get horses inspected?

Answer. Yes, sir.

Question. But you could not get it done?

Answer. No, sir; there was always something in the way; they had other horses to inspect, or something of that kind.

Question. What was the difficulty with those three horses which were rejected from the first lot?

Answer. They said they were too small.

St. Louis, October 19, 1861.

PATRICK FANNING, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a laborer.

Question. What kind of labor do you do.

Answer. I excavate, dig cellars, &c.

Question. Do you know anything about the branding of horses for the government?

Answer. Yes, sir.

Question. By whom?

Answer. I cannot exactly tell. I was buying and selling horses, and one day, while I was up there, another man put in a horse, and

it was branded. The horse was bought for a cavalry horse, and it was branded, in the afternoon, as an artillery horse.

Question. Who bought and branded the horse as a cavalry horse?

Answer. I cannot say who was that day branding cavalry and artillery horses.

Question. How many horses were there then?

Answer. Twelve or fifteen.

Question. Who put on the cavalry brand?

Answer. I do not remember.

Question. Who did you sell your horse to?

Answer. I do not remember. I sold to another buyer, and he put him in. But I saw the horse branded the second time for an artillery horse. I saw horses bought as cavalry horses and branded as such with one brand, and afterwards, on the afternoon of the same day, in the same yard, I saw them branded as artillery horses.

Question. What was that done for?

Answer. I do not know.

Question. Are artillery horses worth more than cavalry horses?

Answer. Yes, sir.

Question. How much?

Answer. We got \$115 a head for two artillery horses the day before, and they were branded as artillery horses. Mr. Jannary bought them that day. He gave us our price.

Question. Did you see any other horses at any other time branded as artillery horses?

Answer. No, sir.

St. Louis, *October 19, 1861.*

PATRICK BRENNEN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. State what information you have about the branding of United States horses.

Answer. I had a horse one day to sell, and I went up to the inspection. Jim Neil and Allen were to inspect that day. They were buying. They appeared to have everything to do. I had a horse there, and I could not put him in myself, and I gave him to another man to put in for me. I should have been allowed for him as an artillery horse, judging from the appearance of other horses there that day. When the man came back he said Neil said he could not brand that horse but once—that is, as a cavalry horse. Neil bought the horse and branded him as a cavalry horse. In an hour after the yard was ordered to be cleared, but some of us got around into the back part of the yard and remained. Then the large horses which were there were brought forward by Neil and Allen and branded again upon the hip. I remarked to the man who put in my horse that that was wrong, that my horse was branded twice. He said he

could not help it, that he could only get the price of a cavalry horse for him.

Question. Did you see them brand your horse the second time?

Answer. I saw them brand my horse as an artillery horse after they had bought him as a cavalry horse.

Question. What was the name of the man that put in your horse?

Answer. His name was Barney Orge.

Question. Did he share with Neil the difference between the price of an artillery horse and a cavalry horse?

Answer. Not that I know of.

Question. Was Orge in the yard at the time the horse was branded a second time?

Answer. Yes, sir. He said he could not help it; that they could do with the horses as they chose after they had bought them.

St. Louis, *October 19, 1861.*

WM. CHAMBERS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a wagon-master.

Question. Have you had any contracts with the government?

Answer. No, sir; I have had no contract. I am doing business for the government, but not as a contractor.

Question. In what capacity?

Answer. Under Captain Turnley.

Question. What is the nature of your business?

Answer. The receiving and issuing of horses.

Question. Have you been an inspector of horses?

Answer. No, sir; I have been receiving horses which came from Cincinnati and other parts of Ohio.

Question. Receiving them for whom?

Answer. For the government.

Question. After they had been inspected?

Answer. Yes, sir.

Question. Do you know anything about the inspection of those horses?

Answer. No, sir. They were inspected in Cincinnati and other parts of Ohio; and I received them at the depot here, and afterwards issued them again to parties about St. Louis.

Question. How many horses have you received?

Answer. Between 1,000 and 1,800, and perhaps more.

Question. Where did they mostly come from?

Answer. From Cincinnati. The contractors were Crane & Hiddon, Sam'l J. Morgan, M. Burton, Mr. Smith, and another party whose name I do not recollect. That has been my business up to within two

weeks, and since that I have been inspecting and receiving mules for the government.

Question. Who appointed you inspector?

Answer. I was not appointed inspector. I was still wagon-master, but was ordered to go and inspect mules. I was simply acting inspector.

Question. Who did you inspect for?

Answer. For different parties on the Haskell contract. I inspected mules for Mr. Morse on the Haskell contract and received none of them. They were not fit to be received and I rejected them.

Question. What afterwards became of those mules?

Answer. Mr. A. G. Draper, in Captain Turnley's employ as wagon-master, said he heard Morse say that he would have Captain Turnley removed.

Question. Why?

Answer. For not receiving his mules.

Question. How many of his mules did you reject?

Answer. I rejected all he presented that day—I think about 150. The mules were very poor, and some twenty or thirty of them I would not have given ten dollars apiece for, and I considered none of them fit for harness.

Question. Was Captain Turnley removed?

Answer. He was removed from here a few days afterwards. Draper told me that some of those mules were received afterward by some other person.

Question. By whom?

Answer. An inspector by the name of Saxton.

Question. What did Morse say to you because you would not pass the mules?

Answer. He said they came up to the contract as to height, age, and everything of that kind, but, as I had orders to receive nothing but good mules, fit for harness, I rejected the whole of them. Captain Turnley was ordered away a day or two afterwards, and I quit inspecting.

Question. Has Captain Turnley been ordered back?

Answer. Yes, sir; and he is now in the quartermaster's department.

Question. Have you seen any of those mules in the possession of the government?

Answer. I do not know that I have.

St. Louis, October 19, 1861.

JAMES DONALL, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. State to the committee the circumstances connected with your selling some mules to the government?

Answer. I sold three mules for government purposes and got \$80 each for two of them and \$90 for the other.

Question. What kind of mules were they?

Answer. They were good mules. One of them had been lame some time before that, but he was not lame when I sold him.

Question. Were the mules inspected?

Answer. Yes, sir.

Question. Were they all passed and received at the same time?

Answer. No, sir. On the first inspection one of them was rejected.

Question. For what reason?

Answer. They were buying mules that day to fill a certain requisition, and they said one would not answer.

Question. What was the objection to him?

Answer. I do not know.

Question. Was he of sufficient height?

Answer. I think he was.

Question. Did you shoe him afterwards?

Answer. I did.

Question. Did you put on long corks?

Answer. No longer than usual.

Question. Did the shoeing make him higher?

Answer. Of course, but he was 14 hands high, and that was the height required.

Question. Whom did you sell the mules to?

Answer. I sold one to Jim Neil, which one went into the quartermaster's lot; the other I sold to John W. Wymer.

Question. What did Jim Neil do with the mule you sold to him?

Answer. He was to be put into this lot for the quartermaster.

Question. Did Neil buy him for the quartermaster or for himself?

Answer. I understood that he bought for the quartermaster; we had trouble in getting the money for him.

Question. What trouble did you have?

Answer. In sending this lot of mules up to another stable they got mine in with another lot, and it was some time before they got the matter arranged.

Question. Did you get your pay directly from Neil, or from the quartermaster?

Answer. From Neil, after the lapse of a week.

Question. Who did he get the money from?

Answer. I do not know.

Question. What kind of money did you get?

Answer. Missouri paper.

Question. Do you know how much Neil got for the mules?

Answer. I do not.

Question. Did you sell two mules to Wymer?

Answer. Yes, sir; at different times; Wymer, I understood, was buying for some contractors, and I sold him one for \$80 and one for \$90.

Question. What kind of a mule was the one that had been lame?

Answer. He was the largest of the three mules.

Question. Who inspected that one?

Answer. I do not know.

Question. Did you sell him subject to inspection?

Answer. No, sir ; I sold him out and out for \$90 ; I think McKinsty inspected him himself.

Question. Were you present ?

Answer. I was not.

Question. Was Wymer there ?

Answer. Yes, sir.

Question. Did McKinsty inspect any other mules ?

Answer. Yes, sir ; a great many.

Question. What became of the mules you sold to Wymer ?

Answer. The last I heard of them they were out at Rolla in government service.

Question. What did you put on the corked shoes for ?

Answer. Because it would make him hold out the height good.

Question. Then, in point of fact, you put on the shoes to make up the required height.

Answer. Yes, sir ; to make up the full height ; the shoes might have raised the height an inch or two.

Question. Is the inspection required to be without shoes on ?

Answer. No, sir.

Question. Who told you to put the shoes on the mules ?

Answer. Nobody.

Question. Did Neil inspect either of the mules you sold ?

Answer. He inspected one, at least he put the mule under the standard to see whether he was high enough, and then he passed it.

Question. Did he put a brand upon the mule ?

Answer. No, sir ; the mules sold that day were sold on Market street, and then taken up to Broadway and there inspected by somebody else, and when they were inspected there the brand was put on them.

Question. Who inspected them in Broadway ?

Answer. I do not know, except that McKinsty inspected one himself ; he inspected the black mule which I put the two shoes on.

Question. Why was it that you got \$90 for the mule which was first rejected, and only \$80 for the others ?

Answer. Well, he was a large mule and I fixed him up and put shoes on him. You know sometimes a large man may look better than a small man, but not be half as good.

ST. LOUIS, *October 19, 1861.*

ISAAC JEROME, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. I have been residing temporarily in St. Louis for the last two or three months.

Question. What is your business ?

Answer. I have been with Captain Turnley in the quartermaster's department.

Question. In what capacity ?

Answer. As wagon-master ; I was in Maryland with him, and accompanied him out here.

Question. Have you been inspecting horses for the government?

Answer. I have inspected a few.

Question. For Captain Turnley?

Answer. Yes, sir.

Question. By whom were those horses offered to the government?

Answer. By Messrs. Kelley & Bosbyshell.

Question. Were they the parties that put in the horses to the government?

Answer. The horses were put in in their names, though I believe they were filling a contract for Mr. Rutter.

Question. Was there any difficulty about the inspection?

Answer. No, sir.

Question. Did you pass the horses?

Answer. Some of them.

Question. Did you reject any of them?

Answer. Yes, sir.

Question. What afterwards became of those you rejected?

Answer. I do not know.

Question. Do you know of any horses rejected by one inspector being afterwards passed by another inspector?

Answer. No, sir.

Question. Do you know Jim Neil?

Answer. No, sir.

Question. Do you know any of the horse inspectors employed here by the government?

Answer. None that are employed now; I knew Blakesley, who was a government inspector for Major McKinstry; he was inspecting horses when I came here.

Question. Did you inspect any horses for Major McKinstry?

Answer. No, sir.

Question. Any for Haskell?

Answer. No, sir.

Question. Do you know anything about any other government inspectors?

Answer. No, sir.

Question. Where are you now employed?

Answer. I have just returned from Jefferson City, having come back only last night.

Question. Have you been in charge of government horses?

Answer. Yes, sir.

Question. Did you take government horses up to Jefferson City?

Answer. Yes, sir.

Question. How many.

Answer. Fourteen.

Question. For whom.

Answer. For Captain Turnley, for his own equipment for the field; but he has returned now.

Question. Do you know anything about the horses about town which are owned by the government?

Answer. No, sir.

Question. Do you know a man by the name of Chambers?

Answer. Yes, sir.

Question. Do you know of any complaints made against Captain Turnley, by parties furnishing horses to the government, on account of his rejecting their horses?

Answer. No, sir.

Question. Do you know anything about any contracts with the government for furnishing horses?

Answer. No, sir; I have been out of town ever since I got a place fixed for horses out a Jefferson City, and I have been taking care of them since that time.

Question. What was the condition of the horses under your charge out there?

Answer. Very good; though some of them got sick on the cars coming from Cincinnati and Indiana.

St. Louis, *October 17, 1861.*

JOHN J. WITZIG, being duly sworn, was examined as follows:

Question. Where do you reside, and what is your business?

Answer. I reside in St. Louis, and am by trade a mechanical engineer.

Question. Have you any contracts with the government yourself, or have you any knowledge of contracts made by other parties?

Answer. I have not any myself.

Question. Do you know of any contracts which have been made by other parties with the government?

Answer. I do not; I never have seen any written contracts, and have no knowledge whatever of any contracts.

Question. Do you know the quartermaster here, Major McKinstry?

Answer. I know him.

Question. Do you know of any persons having contracts with the government?

Answer. I know of some persons who have contracts, but I do not know the nature of their contracts. I had but one interview with Major McKinstry, and that was about shoes which were furnished to Colonel Brand's regiment—the 6th Missouri.

Question. State the circumstances of that interview?

Answer. I happened to be at Pilot Knob one day, and seeing Colonel Brand's men so poorly clothed, I made some remark, and he said everything furnished him was so poor and mean that the men were always barefooted and naked. Among other things, I requested him to give me a pair of shoes. He did so, and I had them opened by a shoemaker here. I showed the shoes, after they were ripped open, to O. D. Filley. There was about three-eighths of an inch in thickness of wooden sole, covered over with a thin skin of leather on the outside. Filley then insisted that I should go and show them to Major McKinstry. I did not want to go to him by myself, and so Mr. Filley went

along. We there found out that the shoes had been furnished by Child, Pratt & Fox, but I never could find out the price at which they were sold.

Question. What did McKinstry say?

Answer. At first he was highly surprised that a private citizen should presume to meddle with the matter and make inquiries about things which belonged to other men. He asked O. D. Filley what business he had to meddle with the matter. Filley told him he was too old to fight for his country, but that he was yet young enough to watch the rascals who were cheating the men who were fighting for his country. I had the shoes under my arm, and Filley took them and opened the sole and showed them to Major McKinstry. McKinstry immediately asked me by what authority I got the shoes. I told him I got them from Colonel Blood, by order of Colonel Brand, down at Pilot Knob. He then took the shoes, and half an hour afterwards they could not be found in the establishment. We had gone down there to see who furnished the shoes, and O. D. Filley said: "Do not lose sight of the shoes, for I want them." But McKinstry managed, in some way, to get between me and the shoes, and we never got them back. I then told McKinstry that I also had a sample of blankets furnished to the same regiment by the quartermaster. We did not know then who furnished the quartermaster with them. In going round, we found that Child, Pratt & Fox had furnished the shoes. One lot was furnished on the 16th of August and another on the 24th. As soon as we ascertained that, O. D. Filley said to me: "Let us go down to Pratt's and see what the charge for them was, as the quartermaster would not tell us what Child, Pratt & Fox had charged." Before we started, Filley told me to get the shoes. I asked McKinstry where they were, and McKinstry said he did not know where they were, and nobody in the office had seen the shoes, except Filley, McKinstry, and myself. Filley said he was not to be outdone. McKinstry said, hunt for them, and that was all the satisfaction we got. Filley said he would go down to Pilot Knob the very same day, and get another lot of those shoes. He did so, but instead of one pair, the whole lot were sent back to this city a little ahead of him. As I have already said, before I left McKinstry's office I told him I also had a sample of the blankets which had been furnished the same regiment. He asked me why in hell I did not bring that sample up. I told him it was a hot day and I was tired, and I thought I would make two trips of it and give him the blankets another time. He said he wanted the blanket immediately. I said: "You shall have it." I went down and sent the blanket up to Major McKinstry's office by a friend of mine. When the man came to McKinstry's door he found a guard there ordered to receive the blanket. But at the same time I had ordered the man to deliver the blanket to McKinstry himself. He therefore came back with it. I went up with the blanket myself and tried to get in, but I could not. The guard at the door insisted upon getting the blanket, as he had orders to get the blanket, but not to let me in. So I have the blanket yet, and I will send it to your committee. I am not a judge of the article, but I heard so much

complaint that I got a sample from Bland. The blanket weighs more than is required. The objection is to the material.

Question. Had you been at the quartermaster's office frequently before that?

Answer. No, sir. I had been there but once.

Question. Did you ever meet a guard at the door before?

Answer. No, sir.

Question. Have you been there since, on business?

Answer. I have. I have occasion to go there every day.

Question. Is a guard stationed at the door now?

Answer. I must confess that that was the only day that a guard was stationed at the door. The guard was a cavalry man, with his sword. He said that the blanket could come in, but that I could not; that the major was busy. I had my own impression, that they wanted to do with the blanket as they had done with the shoes.

Question. Do you know of whom the blankets were purchased?

Answer. As I could never see Major McKinstry afterwards I never could find out from him from whom the blankets were purchased. O. D. Filley and I immediately went down to Child, Pratt & Fox to find out what they had sold the blankets for. Fox took us up stairs and spoke to the bookkeeper. The bookkeeper said it would be a long and tedious job to find out at what price they sold them. I told him I would help him a little about dates, and told him one lot was furnished on the 16th of August, and another lot on the 24th, according to the quartermaster's books. He turned over the leaves of his book for half an hour, but could not find the dates. Then O. D. Filley asked me what time it was. We found that it was half past ten, and at half past eleven Filley had to go down to find out something further about the shoes, and Fox said he would let me know what I desired the next day. But he never had time to tell me at what price the blankets were sold.

Question. What made you go to Child, Pratt & Fox about the blankets?

Answer. They did not deny but that they had sold the blankets.

Question. Do you know any other matter connected with those frauds?

Answer. I know of a good many inferior articles being furnished to the government, but at what prices I do not know.

Question. What are those articles and who furnished them?

Answer. I have some scruples about charging people with things I am not certain of; for instance, a man might sell me a pound of inferior sugar, but if he sells it cheap enough, he commits no fraud.

Question. Do you know the names of any persons who have furnished inferior articles to the government?

Answer. I do not.

St. LOUIS, *October* 17, 1861.

JOHN D. PERRY, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. In this city.

Question. Have you had any transactions with the quartermaster here ?

Answer. Yes, sir. I sold 112 mules to the quartermaster.

Question. Did you deal with the quartermaster directly ?

Answer. Yes, sir. I am not a trader in mules, but I had a lot of mules, more by accident than otherwise, and I made an application in writing to the quartermaster here, of which the following is a copy :

“ St. LOUIS, *September* 19, 1861.

“ SIR : I have just received one hundred and thirteen mules (113) from the centre of the State. They are fine and in good condition. I propose to sell them to the government, subject to your inspection, and at rates you are paying—I believe \$119. If you will take them, I will thank you to furnish an inspector to receive them. They are on the corner of 9th and Washington avenue. This is the lot I advised you of yesterday, through Mr. Fox.

“ Very respectfully,

“ JOHN D. PERRY.

“ Major General McKINSTRY.”

I handed that letter myself to Major McKinstry. He knew me through this Mr. Fox. I had, the day before, said to him that I had advised the man to bring to me the mules which I had spoken of to Major McKinstry. Major McKinstry told me I must make application by letter ; and I wrote that letter the next day and handed it in. The mules came in in the meantime. Major McKinstry read the letter and marked upon the back in pencil, “ Clements, answer, and engage the mules.” The next day I went to Clements and took that letter with the indorsement to him, and told him I did not know anything about the business, and asked him if he could furnish me with some person to take the mules off my hands ; that they had been a source of expense to the owner. I asked him when he would furnish me an inspector, and what day he could take them off my hands. He told me to come the next morning. I went back the next morning, and Clements told me there was something irregular ; I did not understand what it was. He gave me the letter back, and I took it back to Major McKinstry some time during the day ; and I was told by him that somebody would be in to attend to the matter and take the mules. I stayed there nearly all that day, as somebody told me there was so much being done that I would have to stay there. I had no personal acquaintance with Major McKinstry, though he probably knew me by name. A great many persons were there, and he was

occupied. I applied to him several times, and returned to him the next day. I became annoyed by the delay, it being a matter I had volunteered in. The third or fourth day I applied to him again, and said: "Perhaps I annoy you, and I may be under a misapprehension; if I sold my mules I want somebody to take them; if I have not I would thank you to know it, as I do not want to annoy you." He said, pleasantly: "I am looking for a man to come and take the mules; just remain, and it will be attended to." On the evening of the third day, I think it was, I got up to go away, and McKinstry said: "Here is the man I wanted to see; I want you (speaking to the man) to take Perry's mules." I thought I was getting along well, after seeing how others were getting along there. I went out with this man, and he commenced bargaining with me.

Question. Who was this man?

Answer. He was a Calafornian; it was Haskell's man, Palmer; so I was afterwards informed. I told Palmer I had no contract to make with him. When I went out of McKinstry's office with this man, we met Haskell in his buggy. Haskell asked me what I wanted for the mules. I told him I had sold them, I supposed, and that I supposed he was the man to inspect the mules. He said all they were getting was \$119 a head, and that they were paying but \$108. I told him I reckoned my mules were worth as much as theirs, and that I did not want to have any go-betweens. I turned around to go away. The man said if that was the case, he would take me to somebody else. He left Haskell in the buggy and took me to another man, and they began to talk about it. Finally he said, let us go to the office and see Haskell. As we went along I said I did not want to be dragged about in this matter; that I had rather keep the mules than be annoyed in this way; that I should go back and ask Major McKinstry whether or not I have sold my mules; and if I have sold them, whether I am to have a go-between between the government and myself. I went back and reported to Major McKinstry that the man whom he handed me over to handed me over to another man, and he to another still; that I wanted to know whether I had sold the mules to him. He said yes. I asked him what I was to get. He said \$119. I said that was all I wanted, as I had paid the man for the mules and sent him home. The major seemed fretted, and said, go to Cuming and tell him to give you an inspector. It was done. Perhaps I ought not to speak of it at all. I felt vexed at the manner the thing was managed. So far as Major McKinstry was concerned, he seemed to recognize that I had sold the mules to him.

Question. Then why did he put you into the hands of Palmer?

Answer. I do not know.

Question. Palmer wanted to buy the mules of you, did he not?

Answer. Yes, sir; and wanted to give \$108 for them; I told him I did not speculate off the government; that I was a citizen here, and if there had been any transaction between me and the government it had been in the government's favor; that as a citizen and as a representative of some institutions here I had done all I could for the government.

Question. Then he gave you an inspector and the mules passed.

Answer. Yes, sir ; I hold the certificate, but I have never been back since, as I have understood there was no money there.

Question. You said, then, Clements stated to you that something was wrong or irregular ; what was it that was irregular ?

Answer. I cannot tell.

Question. Do you know Clements ?

Answer. I know him by sight ; he was the first clerk in McKinstry's office.

Question. Is he a native of St. Louis ?

Answer. He is not.

Question. Do you know anything of his antecedents ?

Answer. I do not.

Question. Is he a young man ?

Answer. Yes, sir ; he seemed to be prompt enough in his business transactions, though I was much annoyed ; to tell the truth, it would annoy any business man to go through the process I went through for three or four days ; I said to some friends here that if all departments of the government were subjected to this kind of expense and delay, there was no wonder that there was difficulty.

Question. Your transaction with McKinstry seemed to be plain and straightforward at first.

Answer. I supposed it was ; it speaks for itself ; I made a proposition and I understood that McKinstry had accepted it ; Clements understood it so, for he told me to come back the next morning ; I went back and then I had to see McKinstry again, and the second day from that, I think it was, I was handed over to this Mr. Palmer.

Question. When you were at the office of the quartermaster what parties seemed to engage his attention the most of the time while you were waiting ?

Answer. I saw there Mr. De Graft, Mr. Palmer, Mr. Seloven, Mr. Haskell, Mr. Bradley, Mr. Ellard, and Mr. Fox.

Question. Who is Ellard—a horse trader ?

Answer. I do not know that he is. He has been connected with the race course and the shooting galleries here. I know him only by sight.

ST. LOUIS, *October 18, 1861.*

J. J. WITZIG, recalled :

Question. Please state where you got the blanket which you have produced here to-day.

Answer. At Ironton, Missouri.

Question. State the circumstances under which you obtained it ?

Answer. I was out at Ironton one day with Captain Smith and another gentleman ; it was a hot day, and I had my coat upon my arm. I met several soldiers with blankets over their shoulders. I asked them if they were sick. They raised their blankets, and showing me their bare backs, said they had nothing else to cover themselves with.

Question. They had pantaloons?

Answer. Yes, sir; but the holes were so large there was no need of unbuttoning them. That is the fact. And then they said the blankets were mean at that. I took hold of one of the blankets and saw that they were very poor. The very next morning I told Colonel Blood, of the sixth Missouri regiment, that he ought not to receive those blankets. He then told me that he had to take them or nothing. Then, after I had made some other remarks, he said he wished I would take one of those blankets up to the quartermaster, as he had written to him, McKinstry, a great many times and could get no answer. He asked me if I would make it my business to show one of them to Major McKinstry, that he might see what they were. I told him I would do so. He then gave me an order upon Lieut. Colonel Blood for a blanket, and that blanket is the one which I produce here now. In my testimony before the committee yesterday I explained my efforts to get the blanket to Major McKinstry.

Question. Is this the blanket you testified about yesterday?

Answer. It is.

Question. From whom do you understand that these blankets were purchased?

Answer. I never could find out.

Question. Do you know at what price they were purchased?

Answer. I was peremptorily refused an answer upon that question by Major McKinstry and Captain Rankin.

Question. Did you make a specific inquiry of any person or persons at the quartermaster's department of whom those blankets were purchased, and at what price?

Answer. I did.

Question. Of whom did you make that inquiry?

Answer. I inquired of Major McKinstry. He at first referred me to the clerk, but the clerk never gave me a hearing. He had no time to attend to any such picayune business, as he called it. I have still further to state that the same sort of blanket is at present issued to the first regiment of artillery here, a United States reserved corps, and I tried to ascertain from Captain Rankin at what price they were to be charged to the men. He said that all he could tell me was that the department at Washington would fix the price. Nor would he give me any satisfaction as from whom the blankets were purchased. I made a specific demand to know, and I did a little more; I got Colonel Armstead to write to Captain Rankin and make the same inquiry. Captain Rankin told him he could not give him any answer because he did not know himself what the government would charge for them to the men.

Question. What answer did Rankin make to the inquiry as to the persons from whom the blankets were purchased?

Answer. Rankin told me very abruptly that it was none of my business, though he did it in a very gentlemanly way. He was always exceedingly polite, and said that men should always attend to their own business and not meddle with that of others.

Question. What do you expect to do with this blanket?

Answer. I expect to leave it with you, if you want it. Rankin told me at the time that the price would probably be six dollars a pair.

Question. The blanket is what is called shoddy, is it not?

Answer. It is.

Question. Have you showed it to any man acquainted with this kind of goods?

Answer. showed it to a manufacturer, but I cannot recollect his name. Samuel Filley showed it to a manufacturer of blankets in St. Charles. That man unfolded the blanket, compared it with one he furnished, and showed that it did not project the same shade with his, nor weigh as much.

Question. Did he show what price he was furnishing his blankets for?

Answer. He said he had no stated price, but would sell them for whatever the government would allow and were paying.

Question. What did he say this blanket was made of?

Answer. He laughed at it, and turned around and would not say anything.

Question. Did he tell you where it was made?

Answer. No, sir.

ST. LOUIS, *October 21, 1861.*

WILLIAM H. SMITH, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am in the lumber and milling business.

Question. Do you know anything about the contracts with the government for furnishing beef cattle?

Answer. I know, by the admission of Albert Pierce, of St. Louis, that he has a contract to furnish beef to the government.

Question. With whom did he make the contract?

Answer. With the agent of the United States government.

Question. To supply beef, where?

Answer. To supply the western department; that is, the country contiguous to the Mississippi and Missouri rivers.

Question. Did he make the contract with General McKinstry?

Answer. He made the contract with Mr. Haines, who advertised for proposals for furnishing beef.

Question. Who is this Mr. Haines?

Answer. I do not know whether he belongs to the regular army or to the volunteer service.

Question. What was the contract?

Answer. It was to furnish the United States government with fresh beef for the entire army in this department; the beef to be delivered at the various posts at the rate of \$3 50 per hundred, live weight.

The contractors to have the hide and tallow for slaughtering the animals—that is, the fifth quarter, as it is called.

Question. What further do you know about the contract?

Answer. I know nothing further about it. I wrote to Albert Pierce, proposing a sub-contract to furnish beef to the posts on the line of the Mississippi, here, and at Cape Girardeau, and south of that as far as Cairo and Bird's Point, at \$3 per hundred, and to refund to the contractor \$2 per head upon each animal slaughtered for the privilege of retaining the hides and tallow, or fifth quarter.

Question. Do you understand that the contract with Pierce was made upon advertisement for proposals?

Answer. So I understand; I now remember that it was made to continue twelve months.

Question. Do you know when it began?

Answer. I do not.

Question. Was the advertisement for proposals generally advertised?

Answer. I think it was. It was advertised in the city papers.

Question. Did you see the advertisement?

Answer. I did.

Question. Did you put in a bid?

Answer. I did not.

Question. Are there any allegations of unfairness in his obtaining the contract?

Answer. Not that I know of. There was a previous contract for supplying beef here at a lower price.

Question. At what rates?

Answer. I think at \$4 75, net weight. It was made for the separate posts.

Question. With whom was that contract made?

Answer. I do not recollect the man's name.

Question. Did that contract run for any specific time?

Answer. I think it was for as long a time as the government required.

Question. Do you know of any reason for reletting the contract?

Answer. I do not.

Question. This last contract for beef of course included the supplying the forces here at St. Louis?

Answer. Yes, sir; there was a separate contract made for beef at each post, as I understand, until this contract was made.

Question. The contract with Pierce of course included the supply of the forces here in St. Louis?

Answer. Yes, sir; it embraced the whole army in the western division.

Question. Since that contract was made have the different divisions of the army of the west relied upon the contractor for their supply of beef, or have special requisitions been made upon others for beef, who had no contracts?

Answer. According to Pierce's statement, the post at Pilot Knob has been supplied with beef independent of his arrangement with the government.

Question. With his consent?

Answer. No, sir ; as I understand it, contracts had been previously made which extended up to within two months of this time, and until that expired he was not at liberty to fill his contract at that point.

Question. Do you know with whom that contract was made?

Answer. I do not.

Question. Have you heard from Pierce or others as to the manner in which beef has been supplied to the army—whether in conformity to his contract or not?

Answer. No, sir ; I do not know whether the supply has been exclusively under his contract, or whether special requisitions have been made upon others, independent of his contract.

Question. Have you been engaged in the beef business?

Answer. No, sir ; my knowledge of that business arises only from the fact that I was raised upon a farm, and there acquired a knowledge in reference to beef.

Question. Then you cannot say, from actual knowledge, whether or not that is a profitable contract?

Answer. I can. From my own knowledge, and from investigations I have made, I am satisfied that this contract gives a very heavy profit to the contractor.

Question. What is this fifth quarter, which the contractor has for slaughtering, worth?

Answer. It is worth, in this market, not less than five dollars.

Question. Is it not worth more than that for such large animals as the contract calls for, which is 1,250 pounds?

Answer. When you take into consideration the cost of the transportation of it from the several different ports, I should say it is not worth more than that.

Question. But is it not worth more for all those animals which are slaughtered at this point?

Answer. Yes, sir ; of course, at all points where it could be thrown into market without additional expense of transportation.

Question. What response did Pierce make to your proposition?

Answer. Oh, he rejected it as being entirely too high. That was the proposition I made to him at three cents per pound, in the name of John H. Morse.

Question. What did he say about it?

Answer. He said he would not entertain any proposition at that rate, under any circumstances whatever ; that the price was entirely too high and that other parties were prepared to furnish the beef at a much lower rate.

Question. How much lower?

Answer. He did not say.

Question. Did he state what parties were prepared to take the contract at much lower rates?

Answer. He did not.

Question. Is there any great difficulty in fulfilling such a contract in connexion with this division of the army?

Answer. I think not.

Question. Has the furnishing of beef at the different posts been attended thus far with any great difficulty?

Answer. There has been no loss in a single instance, that I know of.

Question. What amount of beef does this contract cover?

Answer. That depends upon the number of men in the service in this department, and of course we cannot tell what amount it will cover.

Question. Do you know whether this contract has been sub-let?

Answer. It has been, in part. There is a man in the city now, by the name of Rainey, who has a sub-contract for furnishing beef to the troops upon the line of the Pacific road. He was the one who furnished General Lyon's army in the vicinity of Springfield. He told me he had a contract for furnishing the beef upon the line of that road at \$2 75 per thousand; that he was to have the tallow for slaughtering the animals, and that the contractor had the hides.

Question. Is the contractor now furnishing the beef for St. Louis, Cairo, and Bird's Point; or has that part of the contract been sub-let?

Answer. I do not know.

Question. Is there anything else of importance about this matter which you know?

Answer. No, sir.

ST. LOUIS, *October 19, 1861.*

CHARLES T. ALEXANDER, being duly sworn, was examined as follows:

Question. What is your official position?

Answer. I am assistant surgeon of the United States army, and am the medical purveyor of this department.

Question. State what you know of the shipment of ice to Jefferson City?

Answer. I received an order from the medical director of which the following is a copy:

"Special Requisition.

"HEADQUARTERS WESTERN DEPARTMENT,

"Camp Silley, October 3, 1861.

"Requisition for five hundred tons of ice, fifty yards gutta-percha, five bales white flannel, (for bandages,) five hundred bags vulcanized India-rubber, nine inches in length, oval, seven inches wide; fifty nets for the head, knit of cotton, like suspension bandages.

"J. C. FRÉMONT,

"Major General United States Army."

[Indorsed.]

"The medical purveyor will carry out the above order with the utmost promptness and despatch.

"S. G. J. DECAMP,

"Medical Director."

I received the order and obeyed it at once. I purchased 500 tons of ice at \$8 50 a ton, and turned it over to the quartermaster for transportation.

Question. Of whom did you purchase it?

Answer. Height & O'Brien furnished the ice, but the bill was made out in the name of William Huse. I saw men around the quartermaster's department who said they had ice. They wanted \$8 50 a ton for it. I inquired the price, and was told that that was a reasonable price.

Question. What was the necessity of sending ice to Jefferson City?

Answer. That was General Frémont's order.

Question. Was there any reason besides that?

Answer. I do not know. Post Surgeon Wells, at Jefferson City, told me he had bought sufficient ice at Jefferson City to last until ice would be again formed by nature. He said he was there when this ice arrived, and that they did not know what to do with it. The quartermaster asked him what he should do with it. He did not know, but he suggested that all the ice houses in the city should be hired in which to store the ice away. I understand that a telegraphic despatch arrived here not to send any more of the ice, but it had already gone on. The bill for the ice was \$4,250. Then I believe they charged some sixty dollars a day for each boat engaged in transporting it. That, however, I had nothing to do with. As I understand it, this ice was ordered upon the suggestion of Doctor Telckampf.

I also received an order from Doctor Telckampf to establish a large hospital up in the country. I did not obey his order, as I did not recognize it.

Question. Who is Doctor Telckampf?

Answer. He is an army officer, a division surgeon, appointed by General Frémont. I did not recognize his authority at all. I referred the order to the adjutant general and he refused to sanction it.

Question. Who gave you information as to where the ice could be found?

Answer. I had no directions. I inquired at the quartermaster's office if anybody could tell me where I could get ice. A man stepped up and said he could furnish ice. I inquired if the price was fair, and I was told that it was. Thereupon I made a contract for the ice.

Question. How long have you been in your present position?

Answer. Since the first of August.

St. Louis, *October* 19, 1861.

RICHARD A. WELLS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In Jefferson City.

Question. What is your business?

Answer. I am post surgeon at that place.

Question. State what you know in relation to a quantity of ice shipped from St. Louis to Jefferson City ; stating, also, for what purpose it was shipped, and the necessity for that shipment.

Answer. One Dr. Telkamp, divisions urgeon on General Frémont's staff out there, told me that 500 tons of ice had been ordered out to Jefferson City.

Question. When was that?

Answer. I cannot tell the exact date. It was the day before General Frémont moved from Jefferson City. I think it was within the last ten days—about the 10th of October.

Question. Was that the first knowledge you had of the shipment of the ice?

Answer. It was. I did not know whether the ice was intended for that post, or whether it was intended to follow the army. It was not needed there, in my judgment. The next I heard about it was when the quartermaster sent me word to know what disposition should be made of the ice.

Question. Who was that quartermaster?

Answer. Colonel Klink. The ice came there the next day after Captain Klink took charge of that department. I told Captain Klink that I knew nothing at all about the ice except from what Dr. Telkamp had told me, and even that was not said to me officially. He was visiting the hospital where I had amputated a man's limb, and he said ice must be applied to it. I told him I had ice enough for all such purposes, and then he told me incidentally that 500 tons of ice had been ordered here from St. Louis. No direction had been given to me to take charge of it.

Question. What was done with the ice?

Answer. I told Captain Klink I thought he had better engage all the ice-houses in town in order to store the ice. Two barges of ice had then arrived. I left there yesterday, and the medical director, Dr. De Camp, informed me, as I understood him, that six barges of ice in all had started from St. Louis, though they had not arrived at Jefferson City at the time I left.

Question. Are there ice-houses enough in Jefferson City to hold this ice?

Answer. No, sir. The quartermaster said he had telegraphed to St. Louis not to send any more ice until he had made arrangements for taking care of it.

Question. What reply did he receive to that telegraphic despatch?

Answer. I do not know. Dr. De Camp told me that his order was directory to get the ice at St. Louis, and if it could not be obtained there to send to New York for it immediately.

Question. Was there any medical necessity for sending such a quantity of ice to Jefferson City?

Answer. Not the least. I had, as post surgeon, bought an ice-house with its contents ; I do not know how much, but, from a rough estimate, enough, I supposed, to supply the hospital. I ordered the hospital steward to issue 50 pounds of ice a day from that ice-house—enough for hospital purposes.

Question. State your opinion as to there being any necessity for any more ice for the hospital.

Answer. I do not think there was any necessity for sending for any more ice. I do not think the sick required any more ice than we had on hand. I thought the supply of ice on hand would be sufficient, with proper economy, to answer all demands upon it. Our experience has shown us that there are but very few cases in which it is necessary to use ice. Even in case of amputation many patients recovered during the warm weather without the application of ice.

Question. Who is Dr. Telkamp?

Answer. He is a German physician, and I understand he is the surgeon-in-chief of General Frémont's staff.

Question. Under appointment by the government.

Answer. I cannot say positively about that. I understand from Dr. Mills, of the regular army, at Jefferson City, that Dr. Telkamp had no commission in the regular army at all, but that he was appointed by General Frémont.

Question. Was any consultation had with you, as post surgeon at Jefferson City, in relation to the necessity for this ice?

Answer. None whatever.

Question. Was it not proper that you should be consulted about it?

Answer. I should think so.

Question. If application had been made to you, what would have been your advice?

Answer. I should have advised not to send it.

Question. What is going to become of that ice?

Answer. I presume it will melt. That which cannot be got into the ice-houses must melt very soon.

Question. And be a total loss to the government?

Answer. Of course. I cannot say positively that the ice was intended for Jefferson City.

Question. Would it be practicable to carry that ice along with the army?

Answer. It would require a vast number of teams to take along 500 tons.

Question. Have you had any directions, or heard of any directions being given, to send that ice out after the army?

Answer. No, sir.

Question. Did Dr. Telkamp make any suggestion of that kind?

Answer. No, sir. From what I learned from the quartermaster it was sent to his care, but he seemed not to know what to do with it, as he made application to me to know what disposition should be made of it. I told him I could not say what should be done with it, but advised him to secure all the ice-houses in town and have them filled with it. I supposed that when he telegraphed to St. Louis, they would have held on to the remainder of the ice until he had perfected arrangements for taking care of it.

Question. What was ice worth a pound in Jefferson City?

Answer. From a cent to a cent and a half. I think, I paid not exceeding a cent and a half for the ice I purchased there. It was what was left in a large ice-house, from which the owner had been selling all summer, and yet I thought it all-sufficient.

St. Louis, October 21, 1861.

Colonel T. P. ANDREWS, being duly sworn, was examined as follows:

Question. What is your official position, and how long have you been in the service of the United States?

Answer. I am deputy paymaster general in the United States army, and have been in the service nearly forty years.

Question. Is it your duty to receive from Washington, and to pay out money to the troops here?

Answer. Yes, sir. I am superintending the operations of some twenty-three or twenty-four officers—paymasters of the army.

Question. Describe the particular character of your duties?

Answer. My duty is to receive from Washington all moneys belonging to the pay department here, to distribute them, to advance them to the different paymasters to pay the troops here, and in different directions.

Question. To what particular branch of the service is the money received by you confined by law?

Answer. Entirely to the pay department for the payment of troops.

Question. Have you any authority of law to divert in any way the money you receive to any other purpose than that?

Answer. I have none—either in my instructions in the law, or in the regulations.

Question. In the discharge of your official duties here, have you received any instructions or orders from the commanding general in this department?

Answer. Yes, sir.

Question. Will you narrate your intercourse with the commanding general in this department since you have been here, stating all the circumstances connected with the disbursement of funds by you in your department, and all matters connected with the discharge of your official duties?

Answer. I will state that I have seen General Frémont but three times, I think; twice at his headquarters, by his request or order, and once at my office. Just before he came to my office an occurrence took place which prevented my ever going to see him again unless I was ordered to do so.

Question. Relate what that occurrence was.

Answer. On the 14th of August I received an order for advance on account of recruiting the volunteers, for payment of \$200. The following is a copy of the same:

“Requisition for funds to be disbursed at the recruiting office of Captain Schwartz’s battery.

“For advertisements, posters, printing matter, stationery, &c. \$80 00

“For wages to runners, mohlars’ rent for offices, small expenses, &c..... 120 00

200 00

"I certify on honor that the above required are necessary for the use of the recruiting office of my command.

"A. SCHWARTZ,
"Captain U. S. V.

"St. Louis, August 14, 1861."

Indorsed across the face as follows:

"Requisition examined, approved, and the \$200 ordered to be paid to Lieutenant L. Nispely, recruiting officer of Captain Schwartz's battery.

"J. C. FRÉMONT,
"Major General Commanding."

"HEADQUARTERS WESTERN DEPARTMENT,
"St. Louis, 15th August.

"Deputy Paymaster General T. P. Andrews is hereby ordered to pay the enclosed requisition for expenditures made by Captain A. Schwartz, Schwartz's battery, and approved by the commanding general.

"J. C. FRÉMONT,
"Major General Commanding.

"Deputy Paymaster General T. P. ANDREWS,
"U. S. Army."

"St. Louis, Mo., August 16, 1861.

"Received this day of Colonel T. P. Andrews, deputy paymaster general, United States army, the sum of two hundred dollars and for the amount of the within requisition.

"A. SCHWARTZ,
"Captain Artillery, U. S. V."

The account was not properly presented to our department.

Question. Was it within the provision of law that you should pay such an account as that?

Answer. It was not, nor in any regulation or authority I had from any source.

Question. You had neither in law, army regulations, or orders, authority to pay it.

Answer. No, sir.

Question. Relate what transpired in relation to that account.

Answer. I stated to the person who first presented it that I had no authority whatever to pay such an account, and that I should violate everything like propriety if I paid it. Two or three days afterwards the account was presented to me with a peremptory order from General Frémont to pay it. Supposing that he labored under some misapprehension, I told the person who presented it that I would go and see General Frémont upon the subject and explain the matter to him.

Question. Who was the person who presented it?

Answer. Captain Schwartz. As I was about leaving the room to go and see General Frémont, Captain Zagonyi, the captain of the body guard, and who had come in with the bearer of the account, said he had an order in his pocket from General Frémont to arrest me and

place me in the custody of Colonel McNeill, who commanded the home guard and prison in the city, unless I paid the account immediately. I asked him to give me the order as my justification for yielding to force and for passing the account. He declined doing that, but said that I might take a copy. I commenced to make a copy, but he then said that as the order was not to be executed unless I refused to pay the account instantly, he could not let me copy it, but said I might take a memorandum or note of it. I told him that was the same thing, and I took a note of it in the following words:

“ Captain Charles Zagonyi called on me with Captain A. Schwartz and showed me General Frémont’s order of this date, ordering him, if I did not pay the within account to Captain Schwartz, to arrest me and place me in the custody of Colonel McNeill, commanding the home guard in this city, for confinement.”

Question. What did you do then?

Answer. I thereupon paid the account.

Question. Was Captain Zagonyi accompanied to your office by a file of soldiers on that occasion?

Answer. He was fully armed himself, and I understood that he had a file of six or eight soldiers near by to assist in executing the order.

Question. Did you yield to this force?

Answer. I did, and obeyed the order.

Question. What did you do, after having paid the account?

Answer. I reported the circumstances to the head of my department, Colonel Larned, at Washington, and asking to be relieved from the station.

Question. What reply, if any, did you receive from him?

Answer. I received a reply, of which the following is an extract:

“ PAYMASTER GENERAL’S OFFICE, *August 22, 1861.*

“ COLONEL: I have received your letter of the 10th instant, and can sympathize with you in your troubles. Madness seems to rule the hour, and you cannot expect to be made an exception. I cannot relieve you, as you are not only in your proper position under the law, but it is all important that a position of such great responsibility as your present one should be filled by an officer of the highest rank and largest experience.”

Question. What further transactions, if any, have you had?

Answer. Before that transaction I received a message from General Frémont to call on him. I was then out of funds, and he was exceedingly anxious to have a regiment paid that was about leaving the city. I did not think it at all important, or that the regiment had any pressing claim for payment. But he insisted upon it, and wished me to raise money in St. Louis. I told him I could not do it; that I had no credit, and scarcely any acquaintance with the moneyed men here. The result of the interview was that he requested me to send the assistant treasurer of the United States to him. I saw the treasurer, and sent him to General Frémont. The next morning his adjutant general asked me to step into his office. On doing so he handed me an order which I did not read, but of which he told me the con-

tents, which were that I was to go to the treasury and demand \$100,000 from the treasurer, of the public funds which were there, which belonged to the Secretary of the Treasury, and if he did not yield to the demand, the same order would furnish me with a regiment of troops to go and take it. I handed the order back to the adjutant general, Captain Kelton, of the regular army, without reading it, and begged him not to insist on my taking it. I told him I would go and see the treasurer, or his cashier, and try to obtain a credit from him for one-half of a remittance on its way, as I believed, from Washington, of \$200,000 for me. I saw the cashier, and as he had received a notice, as well as myself, of the remittance, he credited me with \$100,000, and the order was therefore never executed. I would like to add that I told the adjutant general that I would not execute the order if given to me, but would try to obtain the money, if I could, on the strength of the notice which I and the treasurer had of the coming of the remittance.

Question. Have the funds in your hands, or in the hands of the paymasters under your directions, been diverted by any means from the proper source?

Answer. They have been, in many instances.

Question. Relate to the committee how far that has been done.

Answer. On the 3d of October I received the following order:

“HEADQUARTERS WESTERN DEPARTMENT,

“*St. Louis, Mo., October 3, 1861.*

“SIR: The major general commanding directs that you turn over one hundred thousand dollars (\$100,000) to Major Allen, assistant quartermaster, to be returned on the receipt of money daily expected here.

“Very respectfully, your obedient servant,

“CHAUNCEY McKEEVER,

“*Assistant Adjutant General.*

“Lieutenant Colonel T. P. ANDREWS, *Deputy Paymaster General.*”

I had not as much money on hand at that time, and so reported to the adjutant general, and the affair went over, and I reported to the head of my department at Washington.

On the 21st of September I received an order, of which the following is a copy:

“HEADQUARTERS WESTERN DEPARTMENT,

“*St. Louis, September 21, 1861.*

“COLONEL: General Frémont directs that you detail a paymaster, and cause him to be furnished with one hundred thousand dollars, with orders to report to headquarters for instructions.

“Very respectfully, your obedient servant,

“J. H. EATON,

“*Major United States Army, M. S.*

“T. P. ANDREWS, *Deputy Paymaster General, St. Louis, Mo.*”

The order being a perfectly legal one, I obeyed it, although I did not believe the funds would be properly used, or devoted to the purposes for which they were apparently taken.

Question. What was the result of that proceeding?

Answer. I was going to add that I have ascertained from other officers, who conversed with Major Finney, an additional paymaster of the United States army, whom I detailed for that purpose, that some of the funds have been diverted from the uses to which they should be properly applied. Since then another paymaster, Major Warriner, has been ordered by General Frémont to turn over funds to the same officer, Major Finney, to the amount of \$36,000. That same officer, Warriner, has returned from the field and informed me officially that he was compelled to turn over several sums to other persons, by order of General Frémont and General Asboth; that \$2,000 were turned over by him, under General Frémont's order, to General Thomas L. Price, at Jefferson City; \$3,300 to Colonel Bissell; \$6,000 to Colonel Schaeffer; and \$1,690 to Colonel Rombour. The three last items were turned over by General Asboth's order to those colonels, avowedly to pay troops under them, but all contrary to law and propriety, and I have reason to believe an improper motive existed on the part of one of those officers, to get the money into his own hands instead of letting the paymaster pay it to his troops. Five thousand dollars was turned over, by order of General Asboth, to a citizen quartermaster who is not a bonded officer.

The following are copies of some of the orders to which I have referred:

“Special requisition.

“For five thousand dollars for the use of the quartermaster's department.

“I certify that the above requisition is correct, and that the articles specified are absolutely requisite for the public service, rendered so by the following circumstances: The 4th division is under marching orders in a country difficult of access, and the money will be absolutely necessary for the use of the division.

“JAS. H. McKAY,

“Brig. Quartermaster, 4th Division.

“Major R. O. Warriner, paymaster, United States army, will issue the articles specified in the above requisition.

“By order of

“ASBOTH,

“Brig. General, 4th Division.

“Received, Tipton, Mo., the 14th day of October, 1861, of Major R. O. Warriner, paymaster, United States army, five thousand dollars in full payment of the above requisition.

“JAS. H. McKAY,

“Brig. Quartermaster, 4th Division.”

“HEADQUARTERS 4TH DIVISION W. D.,

“*Tipton, October 13, 1861.*

“You are hereby directed to pay to Col. Frederick Schaefer, commanding 2d infantry Missouri volunteers, the sum of \$6,000 for use of paying his officers on the account due to them.

“ASBOTH,

“*Brig. General, Com. 4th Division.*

“Major R. C. WARRINER,

“*Paymaster of 4th Division.*

“Received from Paymaster R. O. Warriner, \$6,000.

“FRED. SCHAEFER,

“*Col. 3d R. N. V.*

“TIPTON, Mo., *October 13, 1861.*

“The paymaster of the 4th division, Major R. O. Warriner, will pay to Col. Kallmann, commander of 2d regiment R. C. M. volunteers, the amount of sixteen hundred and sixty (\$1,660) on account of the payment due to the officers of the regiment.

“ASBOTH,

“*Brig. General, 4th Division.*

“Received payment,

“H. KALLMANN,

“*Col. Commanding.*”

“HEADQUARTERS WESTERN DEPARTMENT,

“*Camp Lillie, near Jefferson City, October 4, 1861.*

“SIR: The major general commanding the department has authorized the transfer of two thousand dollars (\$2,000) to Brigadier General Price, United States volunteers, Jefferson City, for special public purposes. You are hereby ordered to turn over the above amount of funds to Brigadier General Price, taking his receipt therefor.

“Respectfully,

“J. H. EATON,

“*Col. & A. A. A. G.*

“Major WARRINER,

“*Paymaster U. S. A., Jefferson City, Mo.*”

Question. Were the payments which you made upon the receipts which you have shown to the committee made in conformity to law of the United States, or instructions?

Answer. They were not; they were against both.

Question. What military position does the man signing the receipt as “Asboth, Brigadier General,” hold?

Answer. In reply to that, I present you the first account I was ordered by General Frémont to pay him, as brigadier general.

The United States to Brigadier General A. Asboth, United States volunteers, Dr.

On account of—	COMMENCEMENT AND EXPIRATION.		TERM CHARGED.		Pay per month.	Amount.	Remarks.
	From—	To—	Months.	Days.			
Pay for myself -----	Aug. 1, 1861	Aug. 31, 1861	1	-----	\$124 00	\$124 00	Accepted commission August 1, 1861.
Pay for three private servants -----	do-----	do-----	1	-----	11 & 13	38 19	
Forage for five horses -----	do-----	do-----	1	-----	40 00	40 00	
Clothing for three private servants --	do-----	do-----	1	-----	7 50	7 50	
Subsistence for self -----	do-----	do-----	31	12	372	30	111 60
Subsistence for three private servants.	do-----	do-----	31	3	93	30	27 90
							349 19

General.—I certify as follows: That the foregoing account, and remarks on the same, are accurate and just; that I have not been absent without leave during any part of the time charged for, and that I have not received pay nor drawn rations or other emoluments or allowances in kind, or received money in lieu thereof, for any part of the time therein charged that I have been in the United States service (in the army as a commissioned officer) for the number of years stated in the account; that I am not in arrears with the United States on any account whatsoever; and that the last payment I received was from Paymaster _____, and to the _____ day of _____, 1861.

Horses.—That I actually owned and kept in service the horses charged for, for the whole of the time charged.

Servants.—That I actually employed the private servants charged for, for the whole of the time charged; and that I did not, during the period charged for, or any part of the same, employ a soldier as a waiter or servant; and that the annexed is a correct description of my servant.

Receipt.—I, at the same time, acknowledge that I have received of Major F. A. Cunningham, this 17th day of September, 1861, three hundred and forty-nine dollars and nineteen cents, being the amount and in full of said account.

The deputy paymaster general will pay this account.

A. ASBOTH, *Brigadier General.*

J. C. FRÉMONT,
Major General Commanding.

That is the only authority I know of. His name is not found upon any record as brigadier general up to the last of August.

Question. Who is this Captain Zagonyi, who came to your office with a file of soldiers to arrest you if you did not pay the bill for the recruiting station?

Answer. He was then said to be the captain of General Frémont's body guard.

Question. Is he a citizen of the United States?

Answer. I do not know. I know he is a foreigner. I understand he has since been promoted by General Frémont, and his corps increased.

Question. Have other paymasters in the field been compelled to transfer funds?

Answer. They have.

Question. What order was made upon Paymaster Cumback?

Answer. Captain Cumback received a previous order to turn over funds to General Price, but he did not obey the order.

Question. State what you know in relation to the diversion of moneys from the hands of other paymasters.

Answer. I have a report from another paymaster, Major Scott, who informs me, officially, that he was directed, by order of General Seigel, to turn over \$5,000, for the use of his division, to Captain Augustus Schwarz, paymaster of the post, which report I have sent to the paymaster general at Washington. General Seigel is a regularly appointed brigadier general from Washington.

Question. Do you understand that General Asboth has any such appointment?

Answer. I do not.

Question. By what authority does he sign himself brigadier general, United States army?

Answer. By appointment, I presume, of General Frémont.

Question. How long have you been in the army?

Answer. Nearly forty years.

Question. As you understand the powers of the major general, what authority has he to appoint a brigadier general?

Answer. None whatever.

Question. What authority, then, has Mr. Asboth to act as brigadier general?

Answer. I know of no regular authority.

Question. Are there any other persons acting as brigadier generals in the same way, under appointment from the commanding general; and if so, who are they?

Answer. I know of but one other, and that is a man by the name of Chester Harding, jr.

Question. Will you look at the paper I hand to you?

The following is a copy of the paper handed to the witness, which he examined:

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, Mo., September 20, 1861.

GENERAL ORDERS }
No. 15. }

I...The following officers are announced as constituting the staff of the major general commanding the department. They will be obeyed and respected accordingly :

Chief of staff—Brigadier General A. Asboth.
Assistant adjutant general—Captain Chauncey McKeever.
Military secretary and senior aide-de-camp—Colonel J. H. Eaton.
Chief topographical engineer—Colonel John T. Fiala.
Chief of ordnance—Colonel Gustave Waagner.
Chief of artillery—Lieutenant Colonel James Totten.
Judge advocate—Major R. M. Corwine.
Division surgeon—Doctor T. Telkampff.
Assistant surgeon—Doctor John Cooper.
Acting assistant quartermaster general—Brigadier General J. McKinstry.
Assistant quartermaster—Captain E. M. Davis.
Deputy paymaster general—Lieutenant Colonel T. P. Andrews.
Commander of body guard—Major Charles Zagonyi.
Musical director—Captain A. Waldauer.
Aides de-camp—Colonel A. Albert, Colonel Gustave Koerner, Colonel J. P. C. Shanks, Colonel Owen Lovejoy, Colonel John A. Gurley, Colonel I. C. Woods, Colonel R. N. Hudson, Major James W. Savage, Major Frank J. White, Major Wm. Dorsheimer, Major B. Rush Plumley, Captain J. R. Howard, Captain Leonidas Haskell, Captain Joseph Reminyfy.

II...The special duties assigned to the aides-de-camp are as follows:

Colonel Albert, adlatus to chief of staff; Colonel Woods, director of transportation; Major Savage, military registrator and expeditor; Major Plumley, postal director; Captain Haskell, police director; Major Dorsheimer and Captain Howard, private secretaries.

By order of Major General Frémont.

CHAUNCEY McKEEVER,
Assistant Adjutant General.

Question. Do you know, from your own knowledge of army matters, what is a "musical director?"

Answer. I have never heard the term until recently.

Question. Where have you heard it recently?

Answer. In this place.

Question. In what connexion?

Answer. In connexion with the publication of General Frémont's staff.

Question. I ask you the same question in regard to "adlatus to chief of staff?"

Answer. I must give the same answer.

Question. The same in reference to "military registrator and expeditor?"

Answer. The same answer.

Question. The same in reference to "postal director?"

Answer. The same answer.

Question. The same in reference to "police director?"

Answer. The same answer.

Question. Where have you seen these appointments made?

Answer. In the announcement of General Frémont's staff only.

ST. LOUIS, *October 26, 1861.*

SAMUEL R. FILLEY, being duly sworn, was examined as follows:

Question. Do you reside here?

Answer. I reside in St. Louis county.

Question. Have you had any contracts with the government?

Answer. No.

Question. What business are you engaged in?

Answer. In the earthenware business.

Question. Have you furnished any goods to the government?

Answer. Not in my line of business; have purchased goods for the quartermaster's department.

Question. In what capacity did you act?

Answer. As a volunteer.

Question. At whose request did you act?

Answer. Major McKinstry. He requested me to assist him.

Question. Please state some of the particulars in regard to your transactions in that department.

Answer. I purchased woollen socks and shoes to the amount of, I should say, \$3,000, of Messrs. Doanking & Co., Woolf & Hoppe, Edwin Brown, and other parties, they rendering their invoices direct to the quartermaster.

Question. Did you receive any compensation?

Answer. I did not.

Question. What other transactions did you have?

Answer. I also purchased and paid cash for between seven and eight thousand dollars' worth of goods, which I advanced the money for, on about three thousand dollars' worth of which I received a small profit—about five per cent. The balance were furnished at just what they cost.

Question. Were you in the quartermaster's office often?

Answer. Yes.

Question. Do you know of other parties furnishing goods to the government?

Answer. I. B. Sickles & Co., Child, Pratt & Fox, C. W. Green & Co., Edwin Brown, and others.

Question. Did you know of Child, Pratt & Fox furnishing large amounts of goods?

Answer. I did.

Question. Were they such articles as they usually keep for sale?

Answer. They furnished a large amount of hardware, which is their regular business; also, they purchased flannel blankets, shoes, clothing, &c.

Question. In your judgment, did you think it necessary that such large amounts of goods should pass through a third party's hands?

Answer. I did not.

Question. Did you have any interest, in any way, in this matter, pecuniarily?

Answer. No. My only interest was, serve the government and the quartermaster, buy direct from manufacturers and dealers, and save the third party's profit, as no one can afford to do this business without some compensation.

Question. What, in your judgment, as a merchant, would be a fair compensation for a person who did buy these articles for the quartermaster, the government furnishing the means, say on large amounts?

Answer. Five per cent. would be liberal.

Question. Suppose goods were wanted from New York, Boston, &c., the government furnishing the means, in the usual way and time, what would be a fair compensation, including freight and exchange, say if wanted in large amounts?

Answer. Five per cent.

Question. Could not loyal Union men have been found in this city who were willing to aid the government, who would have purchased goods at a small percentage?

Answer. Certainly, there could, at from one to five per cent.

Question. Did you make an effort to get parties to sell their goods direct to the quartermaster?

Answer. I did.

Question. What parties?

Answer. I tried to get the quartermaster to purchase blankets of Messrs. Paule & Walton, of St. Charles, Mo., who were manufacturers.

Question. Did you succeed?

Answer. I did not.

Question. Why not?

Answer. I showed him a sample, and he thought they were not heavy enough, and I requested them to make a sample for him that would weigh more. He said he could make them heavier, if wanted. The next time I saw Mr. Walton I asked him for the samples. He said he had not made them, as he had sold all he could make, for a time, to a party for the government.

Question. Who did he sell them to?

Answer. Child, Pratt & Fox. I also requested Mr. Blackman, of the firm of J. F. Comstock & Co., shoe dealers, to take samples of shoes to the quartermaster, and sell them to him direct.

Question. Did he do so?

Answer. He said he did, but could not succeed, as the quarter-

master was too much occupied to attend to it; also, others, but the press of business prevented.

ST. LOUIS, *October 26, 1861.*

General SAMUEL R. CURTIS, being duly sworn, was examined as follows:

Question. What is your official position?

Answer. I am brigadier general, now in command of the city of St. Louis and its vicinity.

Question. Have you been a practical engineer?

Answer. Yes, sir.

Question. For how many years?

Answer. I was educated in engineering at West Point, and graduated in 1831, and ever since that time I have had a great deal to do with the construction of works as engineer and as officer of companies. I was also for three or four years the engineer of this city, and most of the important work ever done here was done under my supervision, such as the harbor improvements, sewers, and the general improvements of the city from 1850 to 1853.

Question. How long have you been located here as commandant of this post?

Answer. I have been under General Frémont's command since about the middle of July, part of the time commanding at Jefferson Barracks, and for the last six weeks in command of this city and vicinity.

Question. State whether you have had occasion to examine the fortifications recently erected in and around this city, the number of such fortifications, and the character of them.

Answer. As commander of this post I inspected the public fortifications yesterday. There are ten of them in number, forming a cordon around and within the suburbs of the city. They commence on the north and circle the city around to the south, so as to command the river at each extremity of the line of fortifications, and they are very nearly or quite in range of each other. Between them are large sections of the city, and dense parts of the city will be included within the line of fire. They command the river at each extremity of the city, and they command the principal entrances and roads leading into the city. Besides the ten forts that form the general line, there are several small redouts, outposts to the principal fortifications. The forts are three-sided, four-sided, and five-sided irregularly formed earth works, with ditches, parapets, interior block-houses and magazines, neatly constructed, and nearly finished.

Question. Do you apply the latter remark to all of them, or only a part?

Answer. Some of them are entirely finished except the mounting of guns. There are guns mounted upon most of them, but none of them have their full complement of arms.

Question. Under whose general supervision have these forts been constructed?

Answer. Under the general supervision of the chief engineer, Major Franz Kappner, and another man, F. Hassendeubel, signing himself "colonel commanding engineer corps." Both of them hold appointments under General Frémont. There are also several other officers I met claiming that they held similar appointments in the corps of engineers, but none of them, as I could find, are regular engineers in the army of the United States, or have been regularly mustered in under the law.

Question. Whom did you find connected with the engineering department of the army of the United States there?

Answer. They were generally Hungarians, Austrians, and Prussians, I think, and none of them connected with the engineering department of the army of the United States, either the topographical or the engineering service of the United States, but the chief is a man of evident ability and integrity of character, though a man who can scarcely speak our language.

Question. From your knowledge of the military affairs in this district, could that work have been done by the soldiers, and should it have been done so, in your judgment?

Answer. It unquestionably could have been done by them, and if done at all, I think it could have been done by them.

Question. Is the work upon those forts still progressing, or has it been suspended?

Answer. It is still progressing.

Question. Under a superintendent?

Answer. Under the supervision and under the direct orders of General Frémont.

Question. Have you seen an order from the Secretary of War suspending the work upon those fortifications?

Answer. I have seen such an order published in the newspapers, some days after it was announced by telegraph that such an order had been published.

Question. Has the work upon those forts been progressing since in the same manner and under the same supervision as previously?

Answer. It has been and is still progressing. I find now that a great many soldiers are assisting in the work.

Question. Please look at the contract of E. L. Beard, which I now hand to you, (the contract, of which a copy is to be found in the evidence of H. W. G. Clements, was here handed to the witness,) made with Major McKinstry, bearing date September 25, 1861, for the construction of these forts.

(The witness examined the contract.)

State whether that contract is dated about the time the work commenced upon the forts, and state also your judgment as to the general propriety of the contract, so far as the prices for the various items of work upon the fortifications are concerned.

Answer. I think the work was commenced a month at least before this contract was dated. In my judgment, the prices are exorbitant for excavation, embankment, for puddling earth, and for paving walks;

in the manner in which it is done the prices seem to me to be at least double the cost of such work.

Question. Since the commencement of these works has there been any difficulty here either in the employment of soldiers upon these works, or, if it was necessary to employ hands outside in the employment of hands in and about this city?

Answer. None at all; on the contrary, there has been a great demand for employment from the laboring classes. If the contract is to be construed so that it shall work both ways, or, as workmen say, pay double both for excavation and embankment, then the price is four times the value of the work.

Question. What do you know, if anything, whether the forts have been constructed under this contract by Beard, and what engineer would properly have been employed in the measurement of the work?

Answer. I cannot say. Major Kappner, the chief engineer, should have been the inspector of all the work.

Question. As the commandant of this post have you the control of the works and the fortifications? If not, by whose order and direction is the work being performed?

Answer. In theory I have the right to command all the troops within the compass of my order, subject myself to the order of the major general commanding the district. However, in reference to these forts, the major general gives special and direct orders to these men in all these matters, and they claim that I have no right to control them; at least that is the claim of some of the officers.

Question. Have you, in fact, had the control of this work, or of the fortifications?

Answer. I have had no control of them. The very details of the matter are given by the commander-in-chief, through these men.

Question. In organizing the forces, if any are being organized, for manning these forts, are they being organized under your control, and if not, in what manner is that force being organized, and in what manner mustered into the service of the United States?

Answer. Colonel Almstead, an active German officer, has authority, which he showed me, from General Frémont, to organize artillery for the forts in the city of St. Louis. I intimated to him that these men ought to be required to do the ordinary duty of an artillery soldier, and so mustered into the service, so as to be ready to go into the field, or remain in the forts, as the exigency of the service should seem to require. He said that did not correspond with the understanding he had given the men, or with his orders. I am trying to secure the proper mustering of these men, so that they may conform to the laws of the United States.

Question. What kind of troops are being organized into this artillery service?

Answer. All of them, officers and men, are Germans, and the troops appeared very well yesterday. They were in very good condition; generally new recruits; a great many old soldiers from Europe.

Question. State generally what particular class of our fellow-citizens have had the control in the erection of these works, in the super-

intendence of their erection, and are now proposed to be employed in the artillery service in connexion with them?

Answer. So far as my observation extends, it is entirely our adopted citizens of German and Hungarian extract.

Question. Do you know anything of E. L. Beard, and to what extent has he fulfilled his contract for the erection of those forts?

Answer. I do not know anything about him.

Question. If the works are being erected under the contract, how does it occur that soldiers have been recently engaged upon them?

Answer. My understanding is that the works on which the soldiers are engaged are not being constructed under that contract, but under the supervision of the engineer of the works.

Question. Do you not understand that the work, by its terms, applies to all the forts to be erected in and in the vicinity of St. Louis?

Answer. I should suppose the contract would cover all the forts; but I do not think it precludes the right of the government to carry on such of them as the contractor might not be able to carry on fast enough to answer the public exigency.

Question. Was the erection of those works necessary for the public defence?

Answer. Since I have been here I have never seen any occasion to apprehend an attack upon this city. The field force has always been, in my judgment, more than sufficient to defend it. It is the strongest natural position in the country, having rivers upon every side of it. To defend the city, if I thought a large hostile army was approaching, I should put the principal defences upon the river Merrimack and De Pere river, as the Mississippi and Missouri rivers are defences upon the two sides.

Question. Have you been for many years familiar with the location of St. Louis?

Answer. I have been. As I have been engineer of the city, I am pretty well informed as to the topography of the country. The topography of the country around the city is the most admirable for defence in the world. It is full of pit-holes, and neither cavalry nor artillery can approach the city with any facility on that account. Everything that approaches must approach in defiles. Hence, the blocking up of the roads leading into the city would prevent such troops approaching the city except by very slow approaches.

Question. As a military man, then, you do not regard the erection of these forts as a subject of necessity or of wise public policy?

Answer. I have seen no exigency, since the commencement of this war, as, in my judgment, would seem to require the erection of any such fortifications.

Question. Under whose direction was the Camp Benton barracks erected? What is the character and extent of those barracks? Are they constructed upon public or upon private property? In what manner are they constructed—that is, whether by contract or otherwise?

Answer. They seem to have been constructed under the supervision of General McKinstry more than of any one else; of course, under the general directions of General Frémont. When I was ordered here, and ordered to establish a camp of instruction, and started to do so at

Jefferson Barracks, and urged the doing of everything of that kind where the government holds 1,700 acres of public land, and where there is a plenty of water, I remained at Jefferson Barracks for some time drilling a considerable body of troops which came there, and sending them out. In the meantime the work on these barracks at Camp Benton went on; barracks much nearer this city, it being only four miles to Camp Benton. The ground at Camp Benton is very fine, and, in pleasant weather, much more pleasant to drill on than the ground at Jefferson Barracks; but they are built upon ground belonging to private individuals, and without any contract with the owners, I think, for a lease. It is a splendid camp barrack, capable of accommodating 20,000 men.

Question. How many troops would the Jefferson Barracks accommodate?

Answer. Only about a regiment.

Question. What is the condition of Benton barracks in wet weather?

Answer. The ground is so flat that drainage is almost impossible, and therefore it is very difficult to keep the ground in a proper condition for drilling. The buildings are constructed of rough boards, and upon an economical plan.

Question. What number of troops have you had here at any one time?

Answer. Not over ten thousand in that camp at any one time.

Question. Were those barracks built by contract or otherwise?

Answer. They were mostly built before I went into command there. They were built by men employed for that purpose. A great deal of the whitewashing I had done by the soldiers after I went there.

Question. Can you give an approximate estimate of the cost of all the buildings erected at that point?

Answer. I have heard the cost variously estimated at from thirty to fifty thousand dollars. I find extensive sheds erected for the accommodation of the cavalry horses in other parts of the city, and which I understand have been erected at the public expense.

Question. What number of acres of private property have been appropriated for the camp at Benton barracks?

Answer. I should think from 100 to 150 acres.

Question. Have you any idea of the amount of charges made against the government for the use of that land?

Answer. I have not. The proprietor of a portion of it is a liberal man, a wealthy and patriotic citizen, and he is willing to leave that matter entirely to the option of the government.

Question. State, generally, what private property in this city, properly under your control as the military commander at this post, has been appropriated for public purposes, in addition to the land connected with the barracks at Camp Benton, and what buildings have been erected by the government upon such private property?

Answer. The race-course was taken possession of by the government, and the owner charges \$1,000 a month for it; but I have not supposed that that amount would be paid. It should not be paid. Large sheds, sufficient to accommodate 1,000 horses, have been erected upon that land. There are now only 200 horses there, nor have there been more

since I have been here. I have seen long sheds this side of the barracks for cavalry purposes, which, I understand, have also been erected by the government, but of the exact length and quantity of such buildings I have no estimates. They must be at least 1,500 feet long. I have directed an inspection of them, to ascertain whether they are of any use; and if not, to turn them over to the owners, or have the sheds themselves removed to Camp Benton. I find there are a great many houses occupied for government purposes; but of that matter the quartermaster can furnish you all desired information. A great many houses are employed for hospitals, for quartermasters' stores, barracks, &c., but the exact number I am not able to state.

Question. What other barracks, besides those you have already named, have been erected in this city, and for what purposes?

Answer. There are a number of barracks for troops being erected in the vicinity of the major general's headquarters in this city. The extent of them I do not know. That is in the heart of the city. They are extensive barracks.

Question. With the exception of the arsenal near this city, has the government any other public property which has been appropriated for the use of troops?

Answer. I know of no other property belonging to the United States which has been appropriated for military purposes, except the arsenal.

Question. Then, with that exception, all the property appropriated to military purposes is private property?

Answer. All that I know of is.

Question. Are the forts erected upon private property?

Answer. They are; and one or two of them enclose one or two private houses.

Question. Has the title to the land upon which they are erected been transferred to the government in any one instance?

Answer. I think not; but I am not legally informed as to the facts.

ST. LOUIS, *October 18, 1861.*

FRANKLIN D. CALLENDER, being duly sworn, was examined as follows:

Question. Do you belong to the army?

Answer. I do, and I am stationed at the St. Louis arsenal.

Question. State to the committee what you know in reference to a quantity of guns which were shipped from New York to this point—a lot of Austrian muskets.

Answer. There was a quantity of muskets, supposed to be about 25,000, which were supposed to come from New York.

Question. Were they received at the arsenal?

Answer. Yes, sir.

Question. By you?

Answer. Yes, sir.

Question. What became of them?

Answer. I believe 10,000 of them were sent to Cincinnati, as I understood, to be altered; that is, percussioned, rifled, and sighted.

Question. By whose order?

Answer. By orders from General Fremont?

Question. For what purpose?

Answer. To be rifled, sighted, and altered into a percussion arm.

Question. What kind of a gun was this Austrian musket?

Answer. It appears originally to have been a flint-lock musket, and altered afterwards to take a peculiar kind of primer. It rather presented the characteristic of the old flint pan. I rifled two of them at the arsenal, and they seemed to be worth rifling. I made a report upon the subject.

Question. What has become of the remainder of those guns?

Answer. I think there must remain at the arsenal some five or six thousand of them—possibly eight thousand.

Question. What has been done with the rest?

Answer. They have been put into the hands of the troops, or forwarded from the arsenal, as I understand, with that view.

Question. Had those been changed?

Answer. They were issued just as they were received, except that some of them may have been taken out of the boxes and cleaned. They were not altered to percussion, or rifled, or sighted.

Question. Was the gun as received fit for use in the army?

Answer. We would not use them if we could get better.

Question. Are they of any use?

Answer. I think they are.

Question. What soldiers have been supplied with them?

Answer. To volunteer troops; but I cannot state what particular troops, from memory.

Question. Do you know of any number of them being sent to Cairo?

Answer. I think one or two thousand may have been sent there.

Question. Could caps be used on those guns?

Answer. No, sir.

Question. Do you have to manufacture a special priming for them?

Answer. The priming is a tube, which was manufactured by General Frémont's order, and sent from New York, as I understand.

Question. Have you seen the operation of the guns since they were put into the hands of the troops?

Answer. No, sir; I can hardly say that I have. I have taken the gun and tried the primers several times, and I thought they seemed to go with a good deal of certainty.

Question. Have you seen any of the guns after being altered?

Answer. There was a specimen exhibited to me when I was called upon to make my report. A few altered guns have been received and forwarded to the troops, and a few are at the arsenal now.

Question. By whom were you ordered to make that report in reference to those arms?

Answer. Everything here has been done with so much despatch that orders have been communicated irregularly, but that order was

by instructions from General Frémont's headquarters. Two specimens of the altered arms were put into my hands; one from Greenwood, of Cincinnati, and one from Tryon, of Philadelphia, and I was ordered to make a report on them.

Question. You say you made a report on the guns.

Answer. Yes, sir. Before these guns were sent to Cincinnati, Greenwood had taken one and altered it to percussion, and rifled and sighted it. Tryon, of Philadelphia, had performed the same operation upon another. I fired those guns, I should think, twenty times each, and made a report on them.

Question. Then you did not make a report on the guns in their original condition?

Answer. No, sir; but only upon the two methods of alteration.

Question. When the guns first came from New York were they really of any value to the government in the condition in which they then were?

Answer. That is so much a matter of opinion, and their value would depend so much upon the necessities of the case, that different persons would form different judgments in the matter.

Question. What is your own judgment upon that point?

Answer. I think you could shoot with them.

Question. Were they of the same calibre of our own arms?

Answer. No, sir; but they were so near it that I generally furnish the same cartridge.

Question. How long did they lay in the arsenal before they were sent off to Cincinnati?

Answer. Perhaps two weeks, and it may have been longer; indeed, I think they were here two or three weeks before fuses arrived.

Question. How were these guns brought here?

Answer. By one of the express companies, I think.

Question. Did you pay the freight?

Answer. No, sir. I presume that I stated upon the express company's bill that the number of packages it called for had been received in good order.

Question. Do you know how much the freight amounted to?

Answer. I do not. That payment would be made through another department here.

Question. Who are the agents of Adams's Express Company here?

Answer. Mr. O'Neil is one agent, who often does business with me, but I think he is not the principal agent.

Question. Do you know who invoiced those guns to you?

Answer. I think the voucher was made out to Krutz, Dretzel & Schmidt, of New York.

Question. For how much?

Answer. It was for \$166,448, including \$3,948 for primers.

Question. If those guns had been fit for use you would not have sent them to Cincinnati to be altered?

Answer. We have smooth-bore muskets now which I consider fit for use, and still they may be improved by being rifled.

Question. You say you have from five to eight thousand in the arsenal now.

Answer. Yes, sir ; I think so.

Question. And you sent 10,000 to Cincinnati.

Answer. Yes, sir.

Question. That leaves seven or eight thousand in the field now.

Answer. I can give the exact numbers by reference to my books.

Question. In the great demand for arms would not these be likely to be called for if they were of any value?

Answer. The troops, of course, are not willing to take them unless the emergency is very great.

Question. If that arm had been submitted to you as an ordnance officer of the government, should you have recommended its purchase?

Answer. It appears to me that I should not have done so, unless the necessity was very great indeed. The very fact of its having that fuse, to which I was not accustomed, would have prevented me from recommending it, I think.

Question. What would you have considered the gun worth if you had been obliged to take it from the greatness of the necessity?

Answer. I do not know.

Question. Is there not an intrinsic value to it?

Answer. If it is good for nothing for shooting with, its only value is that of old iron ; but if you can use it for want of something better, then the necessity will determine the value of it. When I first saw it my feeling was, and I have some recollection of having expressed myself, that its value was about the same as that of so much old iron, and yet if we cannot get anything else, and it will shoot, it is of some value. I tried them, and they seemed to explode the fuse very well, but I understand that trial has been made of them by the troops and that they failed in a great many instances.

Question. What is the effect upon soldiers of putting such arms into their hands upon going into battle?

Answer. It must be to destroy confidence and to demoralize them.

Question. Then is it not almost worse than nothing?

Answer. That depends upon the spirit of the men. Our opponents seem to fight with almost anything.

Question. If you had been called by the government to inspect those guns and to buy them, what price would you have felt authorized to give for them?

Answer. If I had been ordered to buy them, unless a great compulsion was put upon me, probably I should not have bought them at all.

Question. Suppose the order had been positive, what price would you have put upon them?

Answer. It is almost impossible to tell what I would have done in a certain contingency.

Question. Give us your impressions?

Answer. I understand that government muskets, I refer now to those known as the George Law muskets, which were of our own manufacture, and were certainly a great deal more valuable than these, have been sold for two and three dollars a piece. As an ordnance officer I should consider those government muskets a great deal better arm for our purposes than these Austrian muskets. I do not think it was stated to me officially, but I learned it from some source,

and so assumed it in my report, that the cost of altering these guns in Cincinnati was \$4 50 each. The man, Tryon, offered to alter them for \$6 or \$6 50, but that offer was not accepted.

Question. You stated in your report your opinion of the musket as altered?

Answer. Yes, sir; I went into the matter somewhat at length and stated something about the barrel, that it was strong and would bear rifling.

Question. Do you think, after the musket is altered, it will be of value to the government?

Answer. I do.

Question. Do you think they will be worth the amount paid for the alteration?

Answer. I think so if they are altered and made as good as the sample. It seems to me that if those arms were offered to me this day, altered, for \$11 50, the cost of the musket originally, and the cost of alteration, judging from the sample which was rifled and sighted, I should take them, thinking I was doing the best thing I could do for the government.

Question. Do you know anything about 5,000 Hall's carbines which were sent out here from New York?

Answer. They were received by me at the arsenal.

Question. What is their value?

Answer. As I understand it, the Hall carbine has been discarded in our service, as they were not found to be a desirable arm; but they will shoot.

Question. What was done with them?

Answer. They have been issued to the troops, with the exception of a very few, perhaps not more than two.

Question. What was the condition of them?

Answer. They appeared to be in good order.

Question. Had they undergone an alteration from the Hall's patent?

Answer. I cannot say. I think they have been rifled. I do not know whether or not they have been improved from Hall's patent.

Question. Have you any personal knowledge of the gun, so as to be able to state whether it is a good gun or not?

Answer. I can hardly state that I have.

Question. Were they inspected before they came here?

Answer. I cannot say.

Question. Were they after they came here?

Answer. No, sir. The boxes may have been opened to see that the guns were in good order.

Question. Have they passed any inspection?

Answer. No, sir.

Question. You received them here from New York?

Answer. Yes, sir. I was ordered to receive everything which pertained to the ordnance department.

Question. Do you remember that you received them from Adams's Express Company?

Answer. I presume they came by one of the express companies.

Question. Did you receive your orders from General Frémont?

Answer. I received orders from General Frémont to receive everything that came.

Question. A general order?

Answer. Yes; a general order, and not a special order, in reference to this.

Question. By whose orders did you issue these guns to the troops?

Answer. By General Frémont's orders.

Question. Was that a general order?

Answer. As I said before, a great many things have been done in a great hurry, and orders doubtless have been given informally, but the idea was that everything was issued by General Frémont's orders.

Question. Were they in your custody from the time they were received until they were sent out of the city?

Answer. Yes, sir.

Question. Was there anybody appointed here whose duty it was to inspect arms before they went into the hands of the troops?

Answer. No, sir. This question calls to my mind a fact in reference to muskets. General Frémont gave me orders to put them in order before they went into the hands of the troops. There were also some 8,999 Tower muskets received here, and most of them more particularly required cleaning, and the order was given, as I understood, on that account. 1,600 Continental muskets, so called, were received, of the calibre of the Tower. They might also be called Tower muskets.

Question. Describe that musket?

Answer. It has a percussion lock, and takes the ordinary percussion cap. Its calibre is greater than the calibre of our muskets. The greater part of them had been probably in the hands of troops, and used.

Question. Were they smooth-bore?

Answer. Yes, sir.

Question. A smooth bore, and considerably larger than ours?

Answer. Yes, sir; so that we have to make another and special ammunition. I manage to use the Austrian musket with our ammunition, though it is small for it. I should say that the difference in the calibres of the Austrian musket and our own was one hundredth of an inch.

Question. Is the Tower musket heavier than ours?

Answer. I think that there is no great difference.

Question. They came from Colt, did they not?

Answer. The account states from John Hoey.

Question. Do you know through what agency they reached here?

Answer. Through, I believe, one of the express companies.

Question. Can you tell us at what prices they were taken by the government?

Answer. The account shows at \$7 50 each.

Question. When and how were they obtained?

Answer. In August, 1861, by instructions, as I understood, from General Frémont.

Question. What has been done with the Tower muskets?

Answer. They are nearly all gone to the troops.

Question. Do you know of any contracts which have been made by the government for the manufacture of shot and shell?

Answer. Those contracts have been made by me, and by nobody else, I believe.

Question. What contracts have you made?

Answer. There was a great pressure to get shot and shell rapidly, to the amount of four hundred rounds for all the guns here, and in order to get them in time I gave orders for various parties, having first had an estimate made of the quantity required for the large guns. I am a little afraid that I have given orders for more than I intended in the first place.

Question. And at large prices?

Answer. No, sir. I tried to arrange the prices, and I believe I have the matter in my own hands, predicated upon eastern prices as furnished by the ordnance office.

Question. Have you made a contract for the shot and shell?

Answer. I have given orders for certain amounts.

Question. Was there any competition for that work?

Answer. There was no advertisement for proposals.

Question. Were numerous offers made to you?

Answer. Yes, sir.

Question. At less price than you paid?

Answer. Possibly there may have been some offers at a less price than I expect to pay. My idea was to get a good article, to get it quickly, and for prices based upon eastern prices so far as they were just and equitable. I expected to pay for solid shot three cents per pound, which is a little more than is paid in the east for considerable quantities; there the price ranges from 2 $\frac{7}{8}$ cents to three cents per pound. The price was not stated in my orders, except possibly in one instance. I have tried to inform those parties what the eastern prices were, and that I wanted to purchase at about those rates.

Question. What quantity have you ordered?

Answer. I ordered three thousand thirty-two pound shot, and some twenty-four pound, and grape and canister for the same guns; also shot and shells, spherical case and canister, for field guns and howitzers.

Question. Are they all being made in this city?

Answer. No, sir. There is a man by the name of Mowrey, who is making some of them, and he said he had a foundery here and another at Cincinnati; also, Murray, Stevenson & Davis, of Portsmouth, Ohio. For small canister shot, where there is but little weight compared with the labor, I may have to pay a little more than they pay east.

The following is a copy of the report referred to in the foregoing testimony:

ST. LOUIS ARSENAL,
Missouri, September 15, 1861.

SIR: I have carefully examined the two samples of the Austrian muskets which have been sent to me for that purpose, which have been percussioned, rifled, and sighted; one from the Greenword Iron Works, Cincinnati; and the other by E. K. Tryon & Co., Philadelphia.

Mr. Tryon's sample.

1st. The percussing of Mr. Tryon's sample is good and unobjectionable.

2d. The rifling appears to be imperfect, being deeper at the muzzle than it is at the breech, whereas the reverse should be the case. It is also not rifled immediately in front of where the ball lies, or, in other words, clear through the barrel. That seems to be desirable, in order that the bullet may, as soon as it commences to move, be expanded into the grooves and take the rifled motion. If that motion is not at first impressed upon the ball, it would seem that it might be more likely to pass over the rifling without taking that motion.

The objection stated by Mr. Tryon against rifling clear through is the danger of cutting the thread of the screw at the breech. I have had three of the barrels rifled at the arsenal clear through, one of which can be seen at the headquarters, and do not think the thread of the screw is injured thereby, or would be, if the rifling is properly done. It takes off only the edge of the thread, and that only where the grooves are leaving that portion corresponding to the lands.

3d. The sighting of Mr. Tryon's sample appears to be sufficient, although the sight is not graduated for as long a range as the Greenword sample, and doubtless costs less than the Greenword. The general finish of Mr. Tryon's sample is good, and the easing of the bayonet spring in some cases appears to be necessary, which in his sample has been done

Greenword's sample.

1st. The percussing of the Greenword sample, having the cone seat on the upper portion of the barrel, is after the manner generally followed at the arsenals.

Mr. Engels, the master armorer at this arsenal, says that he has percussed many thousands in this way, and never knew a cone to blow out when the work was done properly after this plan.

The cones sometimes break off, owing to the main spring being too strong, but do not blow out.

In this view he states that Major Hagner, who has had a great deal of experience in such matters, concurred.

The barrel of the Austrian muskets is thicker, and therefore a better job of percussing it ought to be made than with our own barrels.

2d. The rifling in the Greenword sample appears to be of equal depth throughout, and goes clear through the barrels. It is not, as it should be, deeper at the breech than at the muzzle.

3d. The sighting is the ordinary long range sight, graduated to yards. The general finish of the sample from the Greenword Works is not as good as Mr. Tryon's, and the spring of the bayonet has not been eased. Doubtless that would have been done if required, and with little or no additional cost, as well as other small matters that would add to the appearance of the arm.

I fired both samples this morning, fifteen or twenty times each, I and the points of the bullets struck first, indicating that they had received the rifled motion.

Cost.

I will here state the cost of percussing flint-lock muskets, and rifling and percussing them, as taken from the records on file in this office.

Cost of percussing.....	\$0 83
Cost of rifling, per barrel.....	8
Long range sight.....	1 16
Cost of sighting.....	7½
Front sight.....	1
	2 15½

The prices asked for percussing, rifling, and sighting, after Greenword's sample, is \$4 50.

The price asked by Mr. Tryon for the same work, and for easing the bayonet spring, &c., is \$6.

Both prices appear to me very high, and the latter seems to me to be exorbitant.

F. D. CALLENDER,
Captain Ordnance, United States Army.

Copy.

F. D. CALLENDER,
Captain Ordnance, United States Army.

St. Louis, October 19, 1861.

GORDON GRANGER, being duly sworn, was examined as follows:

Question. State your position in the army.

Answer. I belong to the 3d regiment of United States regular cavalry, and have been in command of the St. Louis arsenal since about the first of September.

Question. Have you any knowledge of the guns which have been sent to the arsenal for the use of the troops in Missouri—the guns known as the Austrian and Tower muskets?

Answer. Yes, sir; I know they have been issued to several regiments.

Question. Have you examined them?

Answer. I have somewhat.

Question. State to the committee your judgment as to their value for the use of the troops, and their condition when they were brought to the arsenal.

Answer. It is my opinion that the Austrian musket, as sent to the arsenal, is the most indifferent arm I have ever seen ; as to the value of the arm I know not what to say, as that depends so much upon the necessity for them ; it occurred to me, at the time I first examined the arm, that it was an old condemned and discarded arm ; the arm which the government has been manufacturing for the last five years or longer, is, in my opinion, worth all of these you could bring over the ocean ; the combined arrangement of one of these Austrian muskets and its priming apparatus is one of the most clumsy I have ever seen ; the primer, which comes with it, is an inconvenient arrangement ; in appearance it is a bit of wire with a still smaller wire attached by a loop ; the inconvenience of the arrangement is that they become tangled up, and the soldier in taking them out of the pocket or pouch would pull out half a dozen in all probability ; and, furthermore, if their fingers were cold it would be a difficult matter to put the primer in its place, and it might take a minute or two.

Question. Is there any difficulty in the fact that there must be a special ammunition such as cannot be used with any other gun ?

Answer. There is, as the primer is not made in this country, but we have to send to Europe for them ; I remember hearing Captain Callender say, when these guns first came here, that he had got so many thousand muskets, but that they had forgot to send the primers ; it is, in other respects, an awkward and clumsy gun, though pretty strong and pretty well made.

Question. Do you consider it as of any value to our troops ?

Answer. In the absence of anything else, it is better than nothing ; some troops have refused to take them ; one regiment in particular, the northwestern rifle regiment ; but as we got the news of the fall of Lexington just at that time, they were forced to take them, for I locked up the gates and told the soldiers they should not eat or drink until they received the guns ; they only took them upon compulsion.

Question. What was the complaint or objection made by the soldiers ?

Answer. They said they had been promised by General Frémont, when he gave authority to raise the regiment, that they should have rifles ; that Frémont knew that rifles were coming ; that they had come, and that they had been issued a few days before ; I have heard that there was another regiment also which refused to march out and receive these guns ; the regiment which I first spoke of would have marched home had I not compelled them to remain.

Question. About how many of these guns have gone into the service ?

Answer. I am unable to say ; they were here previous to my arrival here from Springfield, and how many were issued before and how many since I am unable to say.

Question. Have you examined those same muskets after they were altered ?

Answer. I have not particularly. (An Austrian musket as altered was here handed to the witness.)

Question. Do you think that that musket is worth putting an expense of \$4 50 upon it for the purpose of altering it ?

Answer. No, sir.

Question. Then you would say that if it cost \$4 50 to put this gun in its present shape, it would be more than it is worth?

Answer. That is my judgment of the matter. This musket which you have handed to me, and which is represented to be a gun which has been altered from its original condition as an Austrian musket for \$4 50, is not worth at the outside, even at the present day, over \$4 50. And if we were in no distress for guns, I would not have it at any price.

Question. What is the effect of putting such guns into the hands of soldiers?

Answer. You can tell from the fact that I had to put 1,000 men under arrest all night to force them to take them.

Question. How did they feel about it?

Answer. They seemed very much discouraged. They complained very much of the arm; complained that they had been trifled with in not receiving the arm which had been promised to them. I have overheard them talking about the gun, and have frequently heard remarks to the effect that they much rather be in front of the guns than behind them.

Question. Have you noticed the Hall carbines which were sent out here for the use of the army?

Answer. I have not observed them much. I have seen them. They are an old antiquated thing, which our country threw away years ago. I have never used that arm in the service. It went out of the service before I came into it. My regiment has used rifles and revolvers. The dragoons and cavalry have used Maynard's carbines.

Question. Have you seen any of the Hall's carbines which were sent from New York?

Answer. I have, but have given no attention to them.

(A Hall's carbine was here handed to the witness.)

Question. What do you think of that arm?

Answer. I cannot speak of it of my own knowledge. Officers who have used it tell me that this breech chamber, working upon a pivot, gets out of repair; and, further, that after firing it a few times, the residuum of the powder gets into the joint, and makes it difficult to open it. I fired one of them ten or fifteen times several years ago, and would have to stop and take my handkerchief and wipe off the powder.

Question. What would you say that the gun you hold in your hand is worth?

Answer. You ask a hard question about this arm. There are many circumstances surrounding the matter to be taken into consideration. It is an arm we do not want at all. Military men do not want them. We have some little regard for our reputation and also for our lives. If we go into battle we want to win it, and we want the means of winning it. In times of peace we do not want it, and it probably would not go into our service. Its workmanship seems to be very good. I should think that from twelve to fifteen dollars ought to be quite sufficient for it. If it were a time of peace, or if we had Maynard's carbine, or Sharpe's carbine, we would not have it at all. The ar-

rangement for loading seems convenient, yet it does not compare with Maynard's or Sharpe's in that respect. It is also awkward for men in the saddle to hold.

St. Louis, October 16, 1861.

JOHN B. CRISTY, being duly sworn, was examined as follows :

Examination by Mr. Washburne.

Question. Please state to the committee your residence and business.

Answer. I reside in this city, and my business is that of roofing.

Question. Did you make any contract with the government for roofing?

Answer. Never.

Question. Did you make any proposition?

Answer. I did.

Question. What was it?

Answer. To roof the barracks at camp Benton.

Question. For how much?

Answer. The proposition made was for three different kinds of roofing, as it had not at that time been fully decided by the authorities what kind of roofing they would adopt. Accordingly I proposed to cover by my proposition all kinds.

Question. Can you furnish the committee with a copy of the proposition you made?

Answer. I can. It is as follows :

Proposals for roofing the buildings about to be erected near the "Fair Ground" for the United States government.

St. Louis, August 12, 1861.

(\$3 00.) I will roof said building with three fly of felt, and composition and gravel, for three dollars per square of 100 feet; or with

(\$2 50.) Three fly of felt, and composition and sand, for two dollars and fifty cents per square of 100 feet; or with

(\$2 70.) Two fly of felt, and composition and gravel, for two dollars and seventy cents per square of 100 feet; or with

(\$2 15.) Two fly of felt, and composition and sand, for two dollars and fifteen cents per square of 100 feet.

The work subject to the approval of *actual* and *competent* inspection.
Respectfully submitted.

J. B. CRISTY,

74 Washington avenue, bet. 5th and 6th sts., south side.

References :

Messrs. GILES F. FILLEY, Esq.

JAMES HARKNESS, Esq.

Question. To whom did you make the proposition?

Answer. It was handed to Mr. Ogden, the agent of Major McKinstry, and architect of the barracks.

Question. What did he say about it?

Answer. There was no reply made to any of the propositions which were made, I understand. I never heard from mine afterwards.

Question. Who did the work?

Answer. Of my own knowledge, I cannot say.

Question. What have you heard about it?

Answer. The rumor upon the street was, that the job was let for a good deal more money, and let to a man who was not a Union man.

Question. To whom was it let?

Answer. The work was done by Samuel Warren, though I do not think he was the contracting party.

Question. To whom was the contract let?

Answer. To Almon Thomson.

Question. Is he a disunionist?

Answer. I do not know, nor do I know that Warren was; but that is their reputation.

Question. At what price was it let to Thomson?

Answer. At \$3 50 a square of 100 feet. It has been reported to me, by parties who ought to know, that the roofing was contracted to be done with three thicknesses of paper, one above the other, as the basis or ground work; instead of using three thicknesses, I am informed by parties upon the ground, who saw the work, that in a great many places there is but one thickness, and in many other places only two thicknesses. There are no three thicknesses about it.

Question. Can you give us the names of the parties from whom you received the information?

Answer. The name of one man is Alonzo Barsely. I understand the contract was for three thicknesses of paper with a sand roof, such as I put down in my proposition at \$2 50, and which the government paid \$3 50 for.

St. Louis, October 18, 1861.

ALMON THOMSON, being duly sworn, was examined as follows:

Question. State to the committee your residence and business.

Answer. I reside in St. Louis. I have been engaged in money business for the last two years. I was formerly engaged in the grocery business.

Question. Have you had any contracts with the government?

Answer. Yes, sir. I had a contract for roofing the barrack out at camp Benton.

Question. At what price?

Answer. At \$3 50 a square of 100 feet.

Question. With whom did you make the contract?

Answer. With Major McKinstry.

Question. For what kind of roofing?

Answer. It was to be the best three ply felt and sand roofing. The roofing was to be of the first class.

Question. How much did the contract amount to?

Answer. To \$11,769 69, according to the vouchers which I have.

Question. Did McKinstry advertise proposals for doing that work?

Answer. I cannot say positively whether he did or not. He appointed a superintendent to erect those barracks, and I applied to him to put on the roofing. He said if I would do it as cheaply as anybody I would get it, but not otherwise. I put in a bid for precisely what I have been putting on roofing all over the city for years, and I prepared myself to do the work. The materials were scarce. Rosin, which was a prominent material, it was almost impossible to get. I purchased all the coal tar in the wells here, and bought materials elsewhere. The contract was awarded to me, and a written contract was signed. That was on Saturday. As they were in a hurry, on Sunday I had my teams hauling the materials out there.

Question. What day was that?

Answer. I think it was the 24th of August. On Monday I went into McKinstry's office, and he told me I had imposed upon him as to price; that there was a bid for \$2 50, to do the work in the same manner that I proposed to do it. I told him to tear up my contract, and to give the contract to that man, and he would hear no grumbling from me, provided he made him give as good security as he had required of me. It was done. And I heard him give an order to Ogden to have this man put in his security in twenty-four hours.

Question. Who was the man who made the bid?

Answer. It was made by an irresponsible man for a firm on Market street. My contract was torn up and surrendered for the time being. On Wednesday McKinstry sent to me, and told me to go to work and do that job just as soon as I possibly could; that it was my job, and that I could go to work upon it as soon as I pleased. I did so, and he gave me the voucher I have here for it.

Question. Did you obtain this contract through the intervention of any person?

Answer. No, sir; other than a letter of introduction from Richard J. Howard, stating that I was a responsible man, and would do the work promptly and well.

Question. Was there at any time a modification of the terms of the contract?

Answer. None whatever.

Question. Any modification of the manner in which the work was to be performed?

Answer. None.

Question. Are you engaged in the roofing business?

Answer. Yes, sir.

Question. That is your business?

Answer. No, sir; but I have been engaged as a partner for some time in that business.

Question. Give us the names of the parties who put in the bid for \$2 50?

Answer. I cannot. A man by the name of Christy told me he put in a bid for \$2 50. I suppose he must have been the man, but I do not know whether he was the man referred to by Major McKinstry.

Question. Then you did not know at the time who put in the other bid?

Answer. No, sir.

Question. How came you to say, then, that it was put in by an irresponsible party?

Answer. I said that the man for whom he put the bid in, was an irresponsible party.

Question. Tell me the name of the man for whom the bid was put in?

Answer. I cannot.

Question. How came you, then, to say he was irresponsible?

Answer. Because he failed to put in the security. His name was not known to me.

Question. How came you to ascertain that a man was an irresponsible man, whose name you did not know?

Answer. I knew his name but I do not recollect it now.

Question. When did it slip your mind?

Answer. It slipped my mind, and I do not know that I could have told his name the next day. I did not know that the man was irresponsible from any other reason than that he failed to give security, and from common report. I inquired who this man was, and I was told that he was operating for a man who is now at the door, (referring to John B. Cristy,) who was a responsible man, but the other man was irresponsible.

Question. Where was you told that?

Answer. In Major McKinstry's office, and by himself.

Question. Do you mean to say that the man at the door did not put in a bid in his own name?

Answer. I cannot tell whether he did or not. My impression is that the man at the door is a responsible man.

Question. Did you sub-let the work?

Answer. No, sir.

Question. What did the work cost you?

Answer. I cannot tell you now. The profit on it was about \$2,700. That is within five or ten dollars of the amount.

Question. Have you had anything to do with the purchasing of horses?

Answer. Yes, sir.

Question. Of whom have you purchased and for whom?

Answer. I was not the contractor. The contract was let to John M. Bowen and Asa Jones, the United States district attorney.

Question. Who is this Bowen?

Answer. He is the agent of the Hannibal and St. Jo. road. The contract was let out for some 700 mules, or more. It was let jointly to Bowen & Jones. Another man and myself gave Bowen \$5,000 for his half of the contract. Then Jones gave me an interest in his part of the contract if I would furnish the money to carry it through, I did so, and took an interest in the contract. I bought all the animals for both the parties.

Question. Who bought out Bowen's interest?

Answer. A man by the name of Wheeler and myself. Wheeler was my partner, and I did all the work and furnished all the means, and in consideration of that it was that I got an interest in the other half of the contract.

Question. What did Jones do about the contract?

Answer. Nothing, further than it was awarded to him.

Question. Have you furnished all the horses?

Answer. Yes, sir.

Question. What was the entire profits of the contract?

Answer. About \$3,260 for each—making nearly \$10,000 in all.

Question. Do you mean over and above the \$5,000 paid to Bowen?

Answer. Yes, sir; that was cleared and divided.

Question. Who inspected the horses?

Answer. A man by the name of Blakesley, who has been an inspector of horses for the government for twelve years, more or less.

Question. Did Neil have anything to do with the inspection?

Answer. Nothing, whatever.

Question. Have you had any transactions with Neil?

Answer. Yes, sir.

Question. What were they?

Answer. The transaction of which I have been speaking was under the first contract that was let out, and horses were lower then than they are now. They came up soon after, and we could not have taken another contract at the same price and make any thing on it. We filled it rapidly. One-half were mules and one-half horses. After that was through we bought on speculation seventy mules or more. I held them for a long time and tried to get them taken by the government. I could not get them in. I knew the government wanted them and were in a great hurry for them. Neil was constantly putting in mules. I could not ascertain whether he had a contract or not, though he was putting in horses and mules as many he wanted to. I went to Neil one day and said: "I wish you would let me put in my mules under your contract." About that time a despatch came to the quartermaster that the government wanted mules right away. I was in the quartermaster's department when Brigadier General Pope came into the office and told Major McKinstry that he wanted 100 mules shipped to Jefferson City as soon as possible. McKinstry turned around to Neil and told him to get the mules. I then turned to Neil and told him that if he would take my mules in I would give him \$50. He said he would do it. He then put them in and I gave him \$50.

Question. Did Neil come to you afterwards for an additional amount?

Answer. No, sir.

Question. Did anybody for him?

Answer. No, sir.

Question. Did Major McKinstry ever recommend that you should pay any more money?

Answer. Not upon that.

Question. Upon anything else?

Answer. Under this first contract which I filled for Jones, Neil was solicitous that I should advertise his stable as my headquarters. He said he could buy animals as cheap as anybody, and that he could be of great service to us. I did as he desired. We had twelve days in which to fill the contract, from the time we took it. Neil worked for us during that time, and we had some of his men about the stable working for us. At the end of that time he made out a bill for everything, except his own services; that is, for the hands about his stable, and some other expenses, and we paid it. Soon after that he sent in a bill of \$1,000, for twelve days' services of himself. Having previously paid his bill for all expenses, I refused to pay it. He wanted to know what I would give him. I told him twenty dollars a day for the time he worked. I told him he might pick his man to say what he ought to have, and I would pay whatever he said. He said he would make me pay. He made various threats of injuring me in various ways. That, however, I considered as a matter of talk, and cared nothing about it. He said I would not do any more business with the office unless I did pay him, and it proved true.

Question. How did he suggest that he would be able to do that?

Answer. He did not suggest any particular way; he said I would do no more business. I told Neil I wanted no difficulty about it; that I wanted to pay him a fair and liberal price, but that \$1,000 was out of the question. I told him I had fulfilled the contract and waited a month for the money, and that the delay in payment had absorbed the profits. Finally, before he went up the country, he made a proposition to take \$500; I told him I would see my partner about it.

Question. Had you any conversation with McKinstry afterwards, in reference to that matter?

Answer. Not a word.

Question. Did you not see him afterwards?

Answer. I saw him every day.

Question. Was this subject of the one thousand dollar demand ever talked about with him?

Answer. Never. Neil said that McKinstry said that he should be paid. He also told another friend of ours that Neil ought to be paid.

Question. Who was that?

Answer. I think it was J. P. Wheeler, my partner in the contract.

Question. Do you know what reason McKinstry gave?

Answer. He said that Neil had done a great deal for us, and that we ought to pay him a thousand dollars. I told Wheeler I would not do it.

Question. Do you know what connexion, if any, Neil had with the quartermaster's department, at that time?

Answer. I do not know. I have seen him inspecting horses for the government.

Question. Before or after the time he had the conversation with you?

Answer. Both before and after.

Question. Do you believe he was an inspector and in the employment of the government at the time he had this transaction with you?

Answer. I know he has been in the employ of the government.

Question. As contractor and inspector at the same time?

Answer. I do not say he was a contractor, but I know he was buying horses for the government. I never saw any contracts. There were Neil, and Bogy, and J. S. McCune, and Capt. Phillips, acting together.

Question. You say these men had contracts?

Answer. No, sir; but they were interested jointly with Neil, I suppose, in buying these animals. I believe there have been no contracts given out for furnishing any animals, after the first contract.

Question. Was that first contract given out after advertisement for proposals?

Answer. Yes, sir. Advertisements were published in the papers, and there was competition first. There were twenty or more bids put in and regularly opened, and the contract was awarded to the lowest bidder. That is the only contract that was given out in that way.

Question. What was the bid of Jones & Bowen?

Answer. The bid of Bowen was \$119 50, and that of Jones \$119; and McKinstry said that they were so nearly alike that he had better award the contract to both of them. That seemed to satisfy the parties bidding.

Question. Was that a contract for cavalry horses and mules?

Answer. Yes, sir.

Question. Was there, at that time, an advertisement for artillery horses?

Answer. No, sir.

Question. Neil never inspected any of the horses you purchased.

Answer. Never.

Question. And you understand that no contract for horses and mules has been entered into since that time.

Answer. None whatever. Instead of contracts, the quartermaster gave orders to purchase horses. I have furnished horses myself under such an order.

Question. By whose order?

Answer. By order of Major McKinstry, and at the same price I had furnished the former horses.

Question. At what price?

Answer. At \$119 each. We also furnished the horses for Frémont's body guard.

Question. What was the average price of those body guard horses?

Answer. \$105 each.

Question. Who inspected those horses?

Answer. Captain Zagonyi, a man that Frémont brought from Europe with him.

Question. Did you have any trouble about the inspection of those horses?

Answer. The only trouble we had was in getting the horses sufficiently alike.

Question. Did Neil inspect any of those 700 and odd head of horses?

Answer. He never inspected any horses or mules for me. Blakesley and Brown together inspected the horses.

Question. You said the bids were nearly alike. What bids did you refer to?

Answer. Jones's and Bowen's.

Question. Were you present at the time the bids were opened?

Answer. Yes, sir.

Question. Did you hear what took place when the bids were opened?

Answer. Yes, sir. Jones's bid was half a dollar less than Bowen's, and McKinstry said he thought he ought to award the contract between them and put it at the lowest figure, \$119, as they were the two lowest bidders. Jones appeared to acquiesce in that arrangement. The truth of the matter is that Jones had no means of carrying out the contract, though his credit was as good as any man's could be without means. He is regarded as an honorable man by every one that knows him. He was under the impression that Bowen had means, and that was the reason he consented to divide the contract. He supposed that by going with Bowen he could carry through the contract and reap half the benefit of it. When he found out that Bowen was poorer than he was, he was obliged to put the matter in somebody's hands that could carry it through.

Question. Have Jones and Bowen, or either of them, been engaged heretofore in this kind of business.

Answer. No, sir. Jones was United States district attorney, Bowen has always been a steamboat agent or clerk, until he was appointed superintendent and agent of the Hannibal and St. Joseph road.

Question. You have stated the net profit of this contract was over \$3,000 for each of the three persons who had an interest in it—yourself, your partner, and Jones, and that Jones furnished no part of the capital and performed no part of the labor. What items did you take into consideration in ascertaining the gross proceeds of the transaction, so as to arrive at the net profits? Were they the price of the horses, the cost of getting them here, the \$5,000 paid Bowen, and what else?

Answer. I made out the account in this way: I paid everybody their accounts, except Neil's \$1,000—every expense connected with the horses, not charging any interest for the money which I had then on hand. What other money I needed I obtained upon my own note. On that mode of calculation the profits were just what I have stated.

Question. In the first place you did not take into consideration the interest upon the money?

Answer. I did not.

Question. And then you took into consideration the actual amount paid for the horses?

Answer. Yes, sir.

Question. And then you paid something for getting them here?

Answer. Yes, sir.

Question. And you paid, as a matter of course this \$5,000?

Answer. Yes, sir.

Question. Now what other items entered into the outlay in making the purchase?

Answer. Nothing whatever. Nothing was charged for my services.

Question. Did any persons other than those you have named participate in the profits of that transaction?

Answer. That I cannot say. The \$5,000 was paid, but who participated in it I cannot say. It was left in McKinstry's hands.

Question. In what kind of currency was it paid?

Answer. In treasury notes.

Question. Was it left there at the time you closed up the transaction, or prior to that time?

Answer. At the time I was paid for the horses Bowen gave the matter over to me, but never took a scratch of a pen from me. I gave him my word that whether I made anything or not I would pay him \$5,000. I did not pay him at the time because I wanted my money to use in carrying out the contract. When I went to McKinstry's office for the money he told me that Bowen's \$5,000 was to be taken out. I partially demurred to it, for the reason that as Bowen had made more than any other man out of the contract, I was intending to take the treasury notes and sell them for Missouri money, and pay him in that. I knew he was expecting his pay in Missouri money. McKinstry told me that the \$5,000 was to be left in his hands. I told him I did not know anything about that.

Question. What right had he to keep the money?

Answer. He had no more right to keep the money than any other man. He had no order from Bowen. I demurred a little, and he said, I think, that all the money was not going to Bowen, that some other parties were interested in it. As I was very glad to get the money I let the thing pass.

Question. What conversation had you with Bowen upon the subject?

Answer. I went to Bowen the next day, and asked him whether he had received the money—the \$5,000. He said that everything was straight and satisfactory. I replied that then it was all right. I afterwards went to Bowen and told him to get another contract if he could and I would carry it out and divide the profits with him. I told several other persons the same thing.

Question. The real profits were three times \$3,200, and the \$5,000 paid to Bowen?

Answer. Yes, sir.

Question. And if you had been the original contractor that is what you would have made upon it?

Answer. That is the way I view it.

Question. On the contract itself there was made \$14,780?

Answer. Yes, sir; but of course it did not all come to me, for I had to pay something for the privilege of coming in.

Question. Did anybody participate with you in the profits of the purchase of 300 horses for Frémont's body guard?

Answer. Yes, sir; Asa S. Jones, J. P. Wheeler.

Question. As that contract was made with you alone, how happens it that other parties participated with you in the profits?

Answer. Mr. Jones gave me a letter to Major McKinstry, introducing me as a business man, who had the reputation in St. Louis of being reliable for everything he undertook. I told him that if I could buy the horses as cheaply as other parties I would like to do some business for the government. This was after filling the first contract.

All the inspectors say that under the first contract much better horses were furnished than were put in afterwards. I know they were better horses than I put in afterwards, though I made more upon the first contract than I did upon the second one, because the price of horses rose soon after the first contract was filled. Jones had been an intimate friend of mine for years, and he gave me this letter to Major McKinstry, and supposing that it was purely through his influence that I got the contract I gave him an interest in it. Wheeler telling me that he could get a contract for shoes, that he could buy them 25 per cent. less than the government was paying, and that I should furnish the means and be interested in it, induced me to let him share in the contract, expecting in return to be benefited by him in the shoe contract. But he never got that contract.

Question. Did any other person than you three participate in the gross or net profits of that contract?

Answer. No, sir, in no way, shape, or manner. I could get a contract to-night if I would give a certain man five dollars a head upon the animals. I will not do that, and I cannot get the contract.

Question. When did you make the contract which you and your partner and Jones filled?

Answer. I cannot give the exact date from recollection. It must have been about the first of August.

Question. Do I understand you to say that since that time no proposals for purchasing horses and mules for the government have been made?

Answer. None whatever have been made, that I know of.

Question. If proposals had been invited you would have known the fact?

Answer. I should have been apt to have known it.

Question. Do I understand you to say also that no regular contracts have been made for the purchase of mules and horses for the government, but that certain persons have been authorized to make purchases at the original price of \$119?

Answer. I know of no contracts having been made in writing. Orders have been given to certain parties to purchase horses and mules. Perhaps one contract may have been regularly made with Governor Barstow for 200 horses, but I do not know that it is so.

Question. What has been the difference in the price paid by the government for cavalry horses and artillery horses?

Answer. \$119 has been paid for cavalry horses, and \$150 for artillery horses.

Question. Was \$150 the standard price for artillery horses?

Answer. I cannot say that that was the standard price, as I do not know. It ought not to be, and I was told by the quartermaster that it was not. The way I came to buy the 27 artillery horses was this: Colonel Blair was getting up an artillery regiment, and he wanted a very superior quality of horses. I had at that time 200 horses on hand, and one of the inspectors went into my lot and picked out 27 artillery horses, and allowed me \$150 each for them.

Question. What has been the standard price of cavalry horses?

Answer. \$119 has been a standard price for cavalry horses and for

mules. I was to get \$150 for all those extra horses which are branded and receipted for as A 1 extra horses. When I handed in the bill McKinstry said he would not give that for them. I said to him that I had told him that unless he would give me that price I would not have my horses picked from. I told him he had paid that for others. He then sent for the inspector, and after questioning him he signed the voucher, and I have it in my pocket.

Question. Do you know of any persons having connexion with contracts obtained through the quartermaster's department having made any presents to Major McKinstry, or to his wife, or to any of his connexions?

Answer. I can tell you all about that, and then you can judge why I am in such bad odor. Mr. Selover and Mr. Brady called upon me one day and said they had put down my name for \$150.

Question. What other names were upon the paper, and for what amounts?

Answer. Mr. Wheeler for \$150, Mr. Jones for \$150, and some others. It was for a set of silverware, which was to cost within a few dollars of \$3,000, and which they had purchased and presented to Mrs. McKinstry. I being a man who they said had the money, they wanted me to pay for Mr. Jones, Mr. Wheeler, and myself. On the paper was the names of all the persons who had had contracts, with the amount they had been assessed inserted opposite their names. I told Selover that Jones and Wheeler could do as they pleased, but that I would not pay one cent. I was told that unless I paid I would have trouble in collecting my dues from the government. I told them that was a matter between myself and the government. On another occasion I was presented with a paper on which I was assessed \$250 for horses and carriage to be presented to Major McKinstry. On that, I said, I would not pay one cent.

Question. By whom was this paper presented to you?

Answer. Jim Neil said he had put down my name for \$250. I told him I would not pay one cent.

Question. Did he tell you what other names were on the paper.

Answer. He said that all persons were put on who had been furnishing horses.

Question. Were the carriage and horses presented?

Answer. I saw the horses at Neil's place, which he told me were the horses, but whether or not they were presented I do not know.

Question. Was the silverware presented?

Answer. I was told that it was presented, and that they wanted to present it before McKinstry left here. I told them that I felt kindly towards Mrs. McKinstry as she was an estimable woman, but that I would not pay a cent.

Question. Did your partners, Wheeler and Jones, pay their portion?

Answer. Jones would never pay a cent. He appeared to be offended that his name was put upon the paper, and he said that the man who had put his name there had no authority.

Question. How is it as to Mr. Wheeler?

Answer. Wheeler borrowed \$150 of me and paid it.

Question. Can you tell me what particular public or other services Major McKinstry had rendered to the government of the United States or to the citizens of St. Louis, which induced this manifestation of approval towards him and his excellent lady?

Answer. I cannot say. I am not posted up as to him any further than that he acted as quartermaster.

Question. I desire to know whether, in connexion with the performance of his public duties, these gentlemen, who were proposing to offer this mark of approval, understood that Major McKinstry had rendered the country important services in the character of a quartermaster; or whether this mark of approval was intended as an expression of gratitude upon the part of those persons who had been favored by Major McKinstry at the expense of the government of the United States. Was it understood that it was for services rendered to the government or to them as individuals?

Answer. I cannot say what secret motives influenced their action.

Question. You have named two gentlemen who came to you in the first place in reference to this subscription for the tea service, what was their names?

Answer. Selover and Brady got up the paper. Selover called upon me three several times.

Question. Brady is a Californian, is he not?

Answer. I think not; but Selover is.

Question. What connexion had these persons with Major McKinstry or with the government of the United States in furnishing supplies at this point—St. Louis?

Answer. They had very extensive connexions. They had McKinstry's ear at all times and under all circumstances.

Question. And in what department of the public service were they engaged?

Answer. I do not know of any. They were constantly in McKinstry's office and had his ear at all times. Men might go there on important public business and wait there half a day and not get a hearing, while these men would be talking to McKinstry very leisurely and cosily.

Question. Had either of these two gentlemen who approached you with the subject of the presentation of this set of plate to Mrs. McKinstry, and of horses and carriage to General McKinstry, any connexion with the contracts at St. Louis for the supply of articles for the government?

Answer. Yes, sir; they had very heavy contracts. I know that Brady has been interested with Charles M. Ellard in furnishing horses. Brady has also been supplying other articles as they were wanted, such as shoes, &c.

Question. What kind of contracts has the other man been connected with?

Answer. He has been connected with furnishing various articles, and has supplied a large amount.

Question. Did you pay anything to any body for obtaining the roofing contract for you?

Answer. Never a solitary dollar to any one. The only thing I did

was, after I got through with the contract, I presented the son of Major McKinstry with a riding pony.

Question. For what purpose?

Answer. Well, Major McKinstry was frequently from the office, sometimes at his house, and we had a limited time in which to fill the contract, and it was hard to get inspectors, and I would frequently get this son to go after his father. He frequently assisted us in that way, and after the contract was filled and the matter settled I came across a nice pony for travel, and I bought it and presented it to the boy. That was the only mark of respect I showed to the family of Major McKinstry. I do not know whether Major McKinstry knows to this day that I gave the pony to his son, but I presume he does.

Question. In reference to the roofing once more. You secured the coal tar at Quincy beforehand, you said. For what reason?

Answer. I thought it was a large contract, and nobody could do it unless they got all the material within reach.

Question. Did you expose yourself to the position of having all this tar on hand before you secured the contract?

Answer. I did. There is roofing to be done in Washington city, which is six times as large a job as this, and I think I shall get it, because I am better prepared to do it than any other person ; I can do it cheaper.

Question. Why?

Answer. In the first place because I have the preparation, which is a patented article and costs nothing in our hands, and I think I can get the felt and compete with anybody in putting it on.

Question. What was the number of layers of felt you were to put on?

Answer. Three. It was to be the best kind of a roof.

Question. And was the roofing put on according to contract?

Answer. Yes, sir, in every respect, and I have a certificate of it.

Question. By whom was the certificate given?

Answer. By Ogden, the architect.

Question. Did you have any understanding with Ogden in regard to the contract?

Answer. No, sir.

ST. LOUIS, *October 18, 1861.*

JOHN B. CRISTY, recalled.

Question. Have you made an examination of the roofing of the Benton barracks?

Answer. I have.

Question. State what examination you have made, and what you found the roofing to be.

Answer. I have made an examination of all the roofing at Camp Benton, except that on the officers' quarters. Not one of the buildings which I examined, had on it a three-ply roofing. There are

two which, in the main, are three-ply, but those are defective at the very point where they should be strongest—at the eaves, where they are only two-ply. The other buildings have all a two-ply roofing only, the composition of which I consider very poor. The composition on the two which are, in the main, three-ply is very good.

Question. For what per square of one hundred feet could you have put on that roofing, in the way in which it has been put on?

Answer. I made the offer, in my proposition, to do it for \$2 15 a square. I intended in that estimate to make at least 25 per cent. profits. But this two-ply roofing is covered with the poorest and cheapest kind of composition. If the roof had been covered by a composition like that which is on the two best roofs, it would have been a good two-ply roof all through, and it could have been built for \$2 15.

Question. What could it have been done for with a kind of covering which you found on it?

Answer. It is impossible for a man to go on and say exactly what the material is. There may have been a fault in mixing it. The first expense of the material may have been very nearly as much as that which is generally used. I found that the roofing was so very different from what I supposed the contract called for, that I was quite unwilling to go on with the examination alone, and I called upon Mr. Barselay, a man who has been in the business for fifteen years, to join in the examination with me. I do not think the composition on those twelve or fifteen buildings cost more than one-half per square as much as that on the two best roofs.

Question. How many roofs were there covered with the two-ply roofing entirely?

Answer. Fourteen or fifteen, besides the quartermaster's department, that is, the stables, residence and out-buildings of the quartermaster's department. The composition on those buildings is nearly as good as that on the two first buildings I spoke of, but it is only two-ply roofing. There are two buildings which would commonly be passed under the eye of an inspector as a three-ply roof, but I took the precaution to cut the roofing in different places, to find out exactly what kind of a roof it was.

Question. How did you do that?

Answer. By taking a knife and cutting through. If I had been careful to cut through where the layers of felting lapped I should have found three-ply. I mean by that, that any party interested upon the other side, who should undertake to show how the roof was, would cut through the lapping, and would there show three-ply, when, in reality, the roofing is only two-ply.

Question. Can you describe the manner in which that roofing was put on, so as to show whether or not there was any deception about it?

Answer. There was really no deception in the manner of putting on the roofing, but its character could only be discovered by an examination. If the party who put it on should take you up there he would take his knife and cut through the lapping. Where the felt is lapped it is three-ply, but not elsewhere. It is sufficient to say that it was a two-ply roofing, and no more.

Question. Was the bid you made put in in your own name, or in the name of some other person?

Answer. In my own name.

Question. Was there any difficulty about your giving the security?

Answer. I never heard of the bid after it was put in.

Question. Then of course you were never advised that your bid was accepted, and that you must give security?

Answer. Never.

Question. What day of the week was your bid put in?

Answer. On Monday, August 12, 1861. I saw Ogden, the architect, personally. I had been told by parties in authority at the quartermaster's office that it was to be a gravel roof. After going out to examine the buildings, I was satisfied that the roofing could not be made of gravel; and for that reason I went to Ogden and asked him what kind of a roof was to be put on, and when the proposals should be put in. He said they were going to have a three-ply sand roof—a first quality roof—and that the next day, at noon, the proposals must be handed in. I went home, made out the proposition, and handed it in the same day.

Question. To whom did you hand the proposition?

Answer. To the clerk of Mr. Ogden.

Question. You were never informed that your bid would be accepted if you furnished security, or anything of that kind?

Answer. Never.

Question. How soon after you handed in your bid was the work commenced by Mr. Thomson?

Answer. I think the work was commenced the next day—about the middle of the week.

Question. Had anything been done there towards commencing the work before you put your bid in?

Answer. Not at all.

Question. Do you know of anything done there on the Sunday before or the Sunday after your bid was put in?

Answer. I know that not even the carpenter's work had not been commenced when I put in my bid.

Question. You could have furnished ample security that your proposition would have been performed according to the specifications?

Answer. Yes, sir. I wrote out the proposition and handed it to my clerk to copy it. Afterwards I came along with my horse and buggy, and stepped into the house and asked him to hand me the proposition. He handed me the copy instead of the original, which I intended to have sent in. In the original I referred to certain men as "references," when it should have been "references and sureties."

Question. In the bid which you put in did you make known to them who would be your bondsmen?

Answer. At the bottom of the bid I informed them that Giles F. Filley and James Harkness would be my sureties. And the truth is, knowing something of the character of other parties here who would propose to do the work, I went so far, that the money was in deposit, to go along with the work, and I had taken measures to ascertain where, how, and for what I could get the materials.

Question. Was there any difficulty in obtaining the materials with which to do this roofing?

Answer. None at all.

Question. It has been alleged that the material could not readily be obtained. Did you inform yourself upon that subject?

Answer. I had done so before I put in my proposition at all.

Question. Were the men referred to by you upon your proposition as your sureties men of abundant means and ample security, and known to be such by everybody in St. Louis?

Answer. Certainly. I do not think any party questions that Filley alone is worth \$100,000.

Question. Who inspected those roofs?

Answer. I do not think any one did.

Question. Do you know how many squares there are in that roof?

Answer. No, and I do not think anybody knows.

Question. Can you ascertain the number of squares there are on those roofs?

Answer. Yes, sir; but it would take several days to measure them all.

ST. LOUIS, *October 19, 1861.*

CHARLES H. POND, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis, and have resided here for the last twenty-two years.

Question. What is your business?

Answer. I am an architect.

Question. What do you know of the roofing of the Camp Benton barracks?

Answer. My son-in-law, Henry Clapp, came to me and wanted to know if I would join with him and put in a bid for doing that roofing for the government. I told him I had not heard anything about the matter. He said that Ogden, the architect, had the giving out the contract, and that he (Clapp) had assurances of having the job, and that if I would take hold with him and help him purchase the articles which would be necessary, I should have one-third of the profits of the job. I had been in the habit of hiring Clapp to put on roofing for me, as he knew all about the business. He told me what Ogden had agreed to give him for putting on the roofing. I asked him if he could make anything at that price. He said that this roofing was to be a sand roofing, three-ply felt, while that which he had put on for me was a gravel roof. I told him that as I was doing nothing except for the government—but not for pay—if he wanted me to help him, I would take hold and assist him to buy the materials. He said I should have one-third of what he could make. The next day he came to me and said he wanted me to go down and get John S. McCune to recom-

mend him, because that I had been doing work for him for twenty years, and he knew me. I went down there and got McCune's recommendation. He then put in the proposal on Thursday. He then said that the next day we should know about it, but said he, "I want you to understand one thing, so that you may not be disappointed when the thing is done, for he has promised me the job, and I am going to get it." I asked him how he knew. He said, "I will tell you in a minute. I have made a bargain with Ogden that I will give him \$750 if I get the job, and I have already given him my draft for \$750 on Major McKinstry, if he will get me the job, and that amount will come out of the profits." I told Clapp I did not like that thing. Says I, "I never swindled the government or anybody else, to my knowledge, and I do not like that feature of the thing at all." He said that was the only way in which he could get the job; that Ogden had always been a friend of his, and had told him he should have the job. The thing passed off, and McKinstry, I am told, heard that I had told in the street that the quartermaster's department was swindling the government. I had told Bey this story, and Clapp had told several others. Major McKinstry summoned me before them forthwith. I appeared at his office the next day after I got the summons, between nine and ten o'clock in the morning.

Question. What kind of a summons was it?

Answer. A summons somewhat like this: "I order you to appear before Major McKinstry, the provost marshal, forthwith."

Question. By whom was it signed?

Answer. I cannot say now. I got up there, but had not the least idea what was to pay, and I began to grow scared, for I had been a Union man and never broke any law in my life, I think. He took the summons and laid it on the table, saying he would attend to my case in a minute. He sat awhile and fingered over the papers a few minutes. "Now," says he, "I want to know what you have to say. God damn you, I will put you on bread and water in the arsenal if you do not prove this thing." I got tremendously scared seeing the soldiers all around there. Mr. John How stepped up and whispered to McKinstry. McKinstry then said, "I understand that you are a loyal man, but it is no credit to me to be a loyal man." He cursed and swore a great deal about my talking about this matter in the street. I had spoken, in fact, to only one man about the matter. Said he, "If you do not prove it, God damn you, I will put you in the arsenal upon bread and water." That he repeated after he was told that I was a loyal man. Said he, "Who told you?" I answered "Clapp." Said he, "Where does he live?" I told him I did not know. Said he, "Do I understand that you do not know where your own son-in-law lives who has been talking about this in the street?" It was a fact that I did not know the name of the street, as it was in a new part of the city, and I was not familiar with the names of the streets. I had given the man, Ogden, the direction when he came to my house before. McKinstry sent a file of soldiers after Clapp. When he got Clapp before him he cursed him up hill and down, and scared him so that he could not say a single word—a file of soldiers being all around him he could not utter a word. I then asked Clapp if Mr. Ogden did not agree to give him \$700 if he would get the job

of roofing for him, and whether he had not given Ogden a draft for that amount upon McKinstry. McKinstry said, "Stop, don't answer that question, I am lawyer enough to ask this man all the questions I want him to answer." Then he asked Clapp, as near as I can recollect the words, "Did you give Ogden any money, five hundred dollars, or one dollar?" Clapp said, "No." Then Clapp said he would like to explain. Says McKinstry, "You stop," and he stopped him, right where he was. Says he, "Did you agree to give him five hundred dollars, or one dollar?" Clapp said, "No." "Then," said McKinstry, "I will confine you five days upon bread and water unless you recant that thing immediately," at the same time calling in the sergeant to take him right off. Said Clapp, "If you will give me an opportunity I will explain the thing," but McKinstry would not allow it. Clapp says that Ogden drew the form of a draft for him to sign to pay O. L. Beirce, a friend of Ogden's, the sum of \$700.

Question. On whom was the draft drawn?

Answer. On McKinstry.

Question. Was the draft for \$700 or \$750?

Answer. It was to have been \$750, but Clapp had jewed Ogden down to \$700, as he told me. The soldiers were then brought in, and Clapp was forced to sign an oath of recantation, which oath was published in the papers about that time. Jones, the district attorney, was there and read the whole thing. McKinstry then told me I could go. John Frake, who is now working for Ogden out on the Iron Mountain railroad, putting on some roofing for the government, knows all about this matter. When McKinstry told me that he would put me on bread and water, he said that if he found one of the government agents swindling he would discharge him from the service. He said he found it talked around the streets that the quartermaster is swindling everybody, and that he was going to put a stop to it.

Question. Do you know of any other similar transaction connected with this same matter?

Answer. One W. S. King made an agreement with Ogden to give him \$1,450 if Ogden would get him the job of putting on the roofing, and at the same time gave him his draft for that amount. King has a copy of the draft he gave, in black and white. I did not know Ogden, so that you cannot say I have any prejudice against him. Clapp and myself proposed to put on a three-ply roof. Warren, who did put on the roof, said he did not care whether the roof lasted a week or a day. He told the workmen not to heat the tar, but to run it on cold.

Question. Do you know of any other similar transaction?

Answer. No, sir. Everybody knows that I am a Union man; that I have worked for the government ever since this difficulty commenced; and they know I never broke any laws; and when I was brought up in that way by a man who had the power to imprison me, and when the first word I heard was "God damn you," I was somewhat scared, I must confess.

Question. Who were present at the time you were arraigned before McKinstry?

Answer. A Mr. Howe, Mr. Campbell, Mr. Jones, the district attorney, and about twenty United States officers. I knew only one of them. Selover sat right by McKinstry's side. Selover said to me (one side) that he would not believe Clapp under oath; that he was a liar. Clapp was frustrated and did not know what he said, for they had scared him as bad or worse than they did me.

Question. How many soldiers was Clapp brought in in charge of?

Answer. Three or four—all armed. One had a sword, and the other two or three had guns.

Question. Did McKinstry make Clapp sign the oath?

Answer. Yes, sir; he made him swear to it, and sign it.

ST. LOUIS, *October 19, 1861.*

WM. S. KING, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am engaged in the roofing business.

Question. State what you know in regard to a contract or a proposition for roofing Camp Benton barracks.

Answer. At about the time those barracks were proposed to be built, I went down to see Major McKinstry. He said he had nothing to do with it. He had other business to attend to; and he told me to go to Ogden, the architect employed by the government. I saw him several times at his office, and I was also at his house. I am the general agent for this State of the American Gutta Percha Roofing Company, organized at Cincinnati. When the thing began to be wilted down a little, I found it was necessary to send for Mr. Gay, one of the principal men of the company. He has charge of all the business of the company. I knew that the bid would have to be put in very low, to compete with the coal-tar roofing. I wrote to Gay and wanted him to go in with me, and let me put the stock in at wholesale prices, which would be ten or twelve dollars a barrel, instead of \$20, which is the retail price. He came up from Cincinnati, and with me had several interviews with Ogden. We often talked with Ogden about the price. I have a copy of the proposal which I handed to Ogden. Gay and myself figured up, and we found that we could put on that roofing for from \$2 75 to \$2 87½ a square of a hundred feet. I talked with Ogden, and Gay had a private talk with him. Ogden told Gay that he could get \$3 25 a square just as well as he could get the price he proposed. We fixed up our proposition for \$3 25 a square, in blank, in a manner to be filled up by McKinstry. We then went on to say that the felt should be put on 24 inches wide and in two thicknesses. Our felt is very heavy indeed, and I supposed we were the only ones, that could do that job. We had at that time 20 tons of roofing material on hand, and we did not think any other party could

take hold of the job. Warren, who afterwards did the work, had to send to Cincinnati for the material, and at that they got a coal-tar roof. When the time was approaching, Ogden gave me encouragement that I should have the job. He drove up to my office one day, and said: "King, Major McKinstry sent me down to see what kind of security you can give upon the work." It was a job of ten or twelve thousand dollars. I told him I could give him the first mortgage for \$7,000 on a piece of available property in Cincinnati, worth \$20,000. He told me that McKinstry did not want any security away off there. I remarked that I thought the government would a devilish sight sooner have security in Cincinnati than to have it here. I felt a little hurt. It seems that then Ogden went to a man who carries on the roofing business at Howard's patent roofing establishment, and wanted to know what kind of security he could give. He said he could get city indorsers. I think that was Saturday afternoon. This man at Howard's went to see these parties whom he proposed as security, but they had gone out of the city and would be absent until Monday. Then Ogden presented a contract to him and asked him if he would sign it. It was a contract for some 3,000 squares, which was to be done in ten days, which was impossible, and a forfeiture in case of failure. Howard would not sign it. The matter was talked over by us, and it looked as if Warren was going to get the contract at all hazards. It is said that he got a great deal more for the roofing than we proposed to do it for. Ogden said to me that there was a man by the name of Thomson down here. I asked who Thomson was. He said he believed that he was a horse jockey, and he believed that McKinstry had let him have the job. This was Saturday, and Ogden promised to see me Sunday night, but he did not come. I felt restless, and thought I would go to his house. I took the cars and rode up to his house. He told me Thomson had got the job. I told him I felt very much dissatisfied; that I did not think he had used me right upon the promises, for on the 14th of August, the Wednesday previous to the letting of this contract—it was let the Friday or Saturday following—I saw Ogden and he asked me if I had any paper. I told him I had. He was then at my house. He came there to see me, in the evening. The understanding then was that I should have the job at \$3 25 a square. I was going to do it at \$3, but Ogden suggested that I should add 25 cents. I gave Ogden some blank paper, and he wrote on it:

" AUGUST 20, 1861.

" SIR: Please pay the bearer, P. L. Beirce, the sum of fourteen hundred and fifty dollars, and stop the same on my contract. Said money has been used in the purchase of materials.

" Major J. McKINSTRY, *Assistant Quartermaster.*"

That was written for me to sign. It is dated the 20th of August, a day subsequent to the time when the contract would be let, although it was written on the 14th of August, a time previous to the letting of the contract. That is a copy of the instrument drawn up by Ogden himself, in my presence. I copied it on another piece of paper, and

signed it. I said, "Suppose I do not get the contract, or suppose I die, that instrument will be out against me." He said, in that case, it would not amount to anything. He said, "If you do not get the job, of course, the paper will never be paid." So it remained in that way. I did not intend to say anything about this. The fact is, I was afraid to open my mouth.

Question. Did Ogden ask you to say nothing about it?

Answer. He did.

Question. When.

Answer. He asked me to come up to his office one day.

Question. When.

Answer. The day Clapp was arrested.

Question. What did he say to you about this matter?

Answer. He asked me not to say anything about our transactions. He told him I was the last man that would do it. But here, being under oath, I am compelled to state the transaction.

Question. How long have you known Ogden?

Answer. I never knew the man except in connexion with this contract?

Question. What became of the paper you gave him?

Answer. He has got it.

Question. Did he ever offer to give it up?

Answer. No, sir; and I never asked for it.

Question. After having given him that paper, on the 14th of August, dated on the 20th, what next happened in reference to this contract?

Answer. Everything remained in *statu quo*, with the full expectation of having the work, until the day when McKinstry should say who should have the work. I thought, of course, I was paying a big bonus for getting the work, but I expected to get the work, though I knew the tar roofing could be put on cheaper than mine, as it is not near as good.

Question. What was the next thing that transpired?

Answer. That was the end of the transaction.

Question. When did you first hear that you had not got the contract?

Answer. Soon after the contract was awarded. A week or two after that I went down to Ogden's office, and then it was that I promised I would never say anything about that transaction.

Question. Did Ogden give any reason why the contract was not awarded to you?

Answer. Yes, sir. He told me he had nothing to do with it; that McKinstry had given the job to Thomson.

Question. Did he give any reason why McKinstry had given it to Thomson?

Answer. No, sir.

Question. Do you know anything about the manner in which the work is performed?

Answer. Only from hearsay.

Question. Do you know where the materials for the work were obtained?

Answer. I believe the coal tar was obtained here in St. Louis, and the felt in Cincinnati, as I am informed.

Question. Was it obtained there after the contract was given out?

Answer. Yes, sir. He might have had a little stock on hand.

Question. Was Warren a sub-contractor under Thomson?

Answer. I do not know. I never could find out how that matter was. I drew my own inference how it was. I rather think that Thomson took the contract from McKinstry or Ogden, either separately or jointly; and then I think that Warren paid over to Thomson a large bonus to let him do the work. That is what I think.

Question. Who is this Warren, and what are understood to be his sentiments upon the Union question?

Answer. Clapp and Howard both told me that his sympathies were with the south entirely, and that was what made Clapp mad.

Question. Who is this Mr. Beirce?

Answer. I do not know. I never heard of such a man.

Question. Why was he made the payee of the order?

Answer. I do not know.

Question. Did Ogden give any explanation of it?

Answer. No, sir.

Question. Did you inquire of him why it was?

Answer. No, sir.

Question. But he put in that name?

Answer. Yes, sir. By giving that sum the profits were dwindled down so that I could have made only \$500 upon the job, at three dollars a square.

ST. LOUIS, *October 17, 1861.*

WM. PATRICK, being duly sworn, was examined as follows:

Question. State to the committee your residence and business.

Answer. I reside in St. Louis, and am a lumber dealer.

Question. Have you had any transactions with the government in furnishing lumber?

Answer. I have.

Question. At what time, how much lumber, and at what price?

Answer. I have furnished Camp Benton within the last forty days with one thousand or twelve hundred dollars' worth of lumber. With the large quantity of lumber they have used there I have had very little to do.

Question. What knowledge have you of the contracts for furnishing lumber for Camp Benton? Where were those contracts made, when, and at what price?

Answer. I can only tell you from hearsay. About the time the contracts were to be let I called several times and sought a contract for furnishing the lumber. I called several times to see Major McKinstry, but could not see him. I think I spoke once directly to him, and to my request or application he gave me answer that

when they wanted the lumber they would advertise for it. I went there once or twice afterwards, and spoke through third parties. As I could not see McKinstry I got some friend to speak to him. He referred me to Ogden, and Ogden gave me to understand that they would contract for the lumber at the proper time. I let the matter rest for a few days but kept my eye constantly upon the papers; I did not, however, see any advertisement. I one day met Samuel Filley, I think it was on Saturday; I asked him about the lumber contract, knowing that he had been at Major McKinstry's office a good deal. He said I was the very man he wanted to see, as he wanted me to say what I would furnish the lumber for. I told him that I could not tell him just then; that it was a large contract; that I had but little lumber myself, but would look around and see what I could get it for. I went around that evening and found that I could buy the lumber, common stuff, at twelve or thirteen dollars. He asked me what I would charge for buying the lumber. I told him three per cent. He said write that down. I wrote to McKinstry that I could buy it for twelve or thirteen dollars, and that I would charge three per cent for purchasing the lumber and seeing it delivered. Filley volunteered to take the letter to Major McKinstry. He took it up to him, and returned to me to make a direct proposition to sell so much. I told Filley that it was of no use to make a proposition, as I knew the lumber was being carried there on the Friday previous. He said he thought that was not so. I told him I knew it was so. I went off without making a direct proposition. The next day I met Mr. Abel here. He asked me if I would make a proposition for that lumber. I told him no, that the lumber was going out already. I told him it was of no use, as I knew the lumber was going out. He said he knew it had been going out, but that it was stopped as a fuss was being made about it. I told him I could not make a proposition. What price they paid for the lumber I do not know, except from what was told me by Bockler. Mr. Patte told me that he had agreed to deliver the lumber for \$12 a thousand—that is, a portion of the lumber. When the men who were furnishing the lumber began to run out, I went out to the camp to see what was going on there. I mentioned to Mr. Ogden that I had not sold a dollars worth of lumber to the government. He immediately gave me an order for lumber, but no price was stated; but I presume I shall get the same that other parties are getting. I have not yet handed my bill in, though I have had it made out several days. The bill is made out at \$12 per thousand.

Question. Then you understand that the lumber which was furnished was furnished at \$12 a thousand?

Answer. I so understand it from the parties who furnished the lumber. I have furnished some other lumber for boats and fortifications, that was furnished by me under a direct contract made with the government.

Question. How much lumber was required for Camp Benton?

Answer. I should presume four or five million feet.

Question. Who furnished the most of it?

Answer. I think by Bockler & Co., and by Patte.

Question. Was \$12 a reasonable price?

Answer. I think the lumber was furnished extremely low. The old lumber dealers had all quit their business, and the men who furnished the lumber are new men, who took lumber last year, in payment for debts and piled it up; they sold it very low, below the market price two or three dollars. I am getting two or three dollars more for the lumber I furnish to the contractors who are building the fortifications and barges.

Question. How much of a contract have you?

Answer. Probably I am selling twelve or fifteen dollars worth; it does not amount to much.

NEW YORK, October 8, 1861.

MORRIS KETCHUM, being duly sworn, was examined as follows :

Examination by Mr. Dawes.

Question. State to the committee your place of business, and the nature of your business.

Answer. I am a banker, doing business in Exchange street, under the firm of Ketchum, Son & Co.

Question. Have you had anything to do with any contract for supplying the government with any articles whatever ?

Answer. I have never supplied the government with anything whatever except money.

Question. Have you had anything to do, directly or indirectly, with the purchase of arms for the government ?

Answer. No, sir ; except to advance some money upon contracts.

Question. Upon what contracts have you advanced money ?

Answer. My connexion with the matter, to which I refer, grew out of an advance which was made by a neighbor of mine, Mr. Pierpoint Morgan, for a quantity of arms which were purchased by General Frémont.

Question. Be kind enough to state to the committee the whole transaction.

Answer. I was called upon originally by a man by the name of Eastman, in connexion with another man, whose name I do not now recollect, in relation to a draft drawn by Simon Stevens upon Mr. Morgan, and which was due, or about becoming due, for about from thirty-seven to forty thousand dollars. Upon that these parties wanted to obtain the money. It seems that this draft was drawn on behalf of a quantity of arms held by Mr. Morgan, as was represented, in trust for some parties, I know not who. The only parties that ever appeared before me were Eastman, Stevens, and another man who appeared to have something to do with the matter, but whose name I do not know.

Question. Was it Mr. Hubbard ?

Answer. That's the name.

Question. Did you understand there were other persons besides those three who were interested in this matter ?

Answer. I supposed there were, but I did not know. These men represented that they were interested ; but before I advanced the money it was necessary for me to look into the documents, and for that purpose I called over to Mr. Morgan's office, where I saw the correspondence between Mr. Stevens and General Frémont, upon which Mr. Morgan had made the advance. I deemed the papers entirely satisfactory. I then found that this man Hubbard was not

mentioned in those papers, and did not, from the documents, appear to have anything to do with the matter. In the first place, this Eastman called upon me with Hubbard, and I declined doing what he desired, because I found he had nothing to do with the matter.

Question. What was the particular thing he wanted you to do?

Answer. This draft was becoming due, and they wanted the money advanced.

Question. Upon whom was the draft drawn?

Answer. I think the draft was made by Stevens upon Mr. Morgan in favor of this Mr. Eastman.

Question. Upon that draft a payment had been made?

Answer. Upon it Mr. Morgan had made an advance.

Question. Of how much?

Answer. I do not remember how much he advanced; I think it was between thirty and forty thousand dollars.

Question. And they wanted you to advance the remainder.

Answer. Mr. Morgan was wanting his money, and he was looking up another party to supply the money and take his place. I at first declined having anything to do with it, because I saw that the man that had been to me had nothing to do with it, as I could see, and Eastman was the man who was expecting to get the money, and was entitled to it, I supposed. I remarked to both the gentlemen that this Hubbard had no authority then at all; that Mr. Stevens was the man. A few days Stevens brought a note to me from a gentleman in introducing him. Stevens was a stranger to me, as were all these persons. I had never seen them before.

Question. From whom did he bring the note?

Answer. From Mr. Opdyke. I then saw Mr. Stevens for the first time. I told him what had occurred; that he seemed to be the party most interested in this matter, and that I was prepared to advance him money upon this claim. This draft was of a peculiar kind. The money was to be paid provided Mr. Morgan was in funds. He had, in the mean time, sent on the arms. I then took the obligation and advanced the money.

Question. How much did you advance?

Answer. I should think between forty and fifty thousand dollars.

Question. What security did you have?

Answer. I had none, except that which was held by Mr. Morgan, which was this authenticated document.

Question. What constituted that document?

Answer. A telegraphic despatch, and, I believe, a letter from Gen. Frémont to Mr. Stevens, directing him to buy a certain number of carbines, which he had offered to Frémont. In the first place, there was a telegraph from Mr. Stevens to Frémont, stating that he could furnish him with so many arms; to which Frémont replied, "Purchase and forward immediately."

Question. Were there any other documents?

Answer. I think there was a letter also.

Question. You advanced upon that draft, and hold those papers.

Answer. Mr. Morgan holds subject to me, when he gets his pay from the government.

Question. And you look to the government, through him, for your pay.

Answer. I do. Mr. Morgan was acting as a sort of trustee in the premises. He had sent forward the arms, and of course the pay would be coming to him.

Question. What compensation do you get for this undertaking upon your part?

Answer. I charge a commission and interest. That is a question which you must necessarily see I cannot very well answer, because it enters into my private business, which I think the government has no right to inquire into. I had no interest in the contract and know nothing about it.

Question. Do you have any other compensation than your regular commissions and the interest on your funds?

Answer. No, sir. I stipulated the rate of commission for which I would transact the business, and which I expect to be paid out of the proceeds.

Question. The amount of that commission you decline to state.

Answer. Yes, sir. We are constantly doing that thing, though not exactly in this way, but generally upon goods delivered to the government, with properly authenticated vouchers; only waiting for the government to pay when they are able.

Question. Are you willing to give us the commission beyond a certain extent?

Answer. I should not like to go into particulars in that matter.

Question. You had no other interest whatever in it.

Answer. None whatever.

Question. Are you aware of the source whence those arms came?

Answer. I think, in the course of conversation, I heard Mr. Eastman, or some other party, say that he originally obtained them from the government; that he was altering them into a rifled musket.

Question. In what way did he say he obtained them?

Answer. I cannot inform you anything about that.

Question. Have you received any portion of the pay?

Answer. Yes, sir.

Question. Have you any objection to stating what portion?

Answer. I think we have received some thirty thousand and odd dollars.

Question. And how much is there due you yet?

Answer. More than half of it is yet due.

Question. What did the whole amount to?

Answer. I think it was over \$100,000.

Question. Do you know where the guns are now?

Answer. They were shipped to General Frémont. I know nothing further about them.

Question. Was this Eastman the party from whom Stevens purchased the guns?

Answer. It so seemed.

Question. The draft was given to Eastman by Mr. Stevens; was it accepted by Mr. Morgan?

Answer. It was accepted payable when in funds. It was a peculiar

draft, to be paid when he should obtain funds from the government. He had shipped a portion of the guns, and was daily in expectation of receiving money.

Question. Mr. Eastman had been paid part of that draft.

Answer. I do not know ; but I do not think he had been paid anything upon it.

Question. What was the amount of that draft?

Answer. I think from thirty-seven to forty thousand dollars. I know there was no indorsement upon it.

Question. Had Mr. Morgan made any advance upon the draft at the time you speak of?

Answer. I presume he had.

Question. Then at what stage of the business did you purchase this draft of Eastman?

Answer. I do not know whether you could consider it as having been purchased at all. I agreed to advance money on it, and also to advance some more money—several thousands of dollars—upon bills which he said he had to pay for rifling the guns.

Question. Was the amount of that draft \$37,500?

Answer. It was between thirty-seven and forty thousand dollars. I am not very familiar with the details of my business, and therefore I answer your questions to the best of my information. I have not thought much about the matter since. I know at the time I looked thoroughly into the basis of the advance made by Mr. Morgan.

Question. Mr. Eastman then indorsed over that draft, and all the other securities he had upon the contract, to Mr. Morgan, as trustee for you.

Answer. Yes, sir, with the expectation of getting our pay out of Mr. Morgan when he gets it.

Question. Had Mr. Eastman at this time any interest in those papers and securities?

Answer. I do not believe he had ; he did not talk as if he had ; he seemed to want to get his money.

Question. Has Mr. Stevens any interest in them now?

Answer. I suppose he has.

Question. Is this the state of the case : out of the funds which Mr. Morgan receives from the government for those guns he is to pay this draft to you, and then to such other parties as may be interested?

Answer. Yes, sir ; he is to pay the draft and the commission stipulated to be paid me, and the residue is to go to Mr. Stevens and the other parties interested ; I hold the whole thing first for my advance, and after that I do not know, and do not care, who gets the remainder.

Question. Do you know of any parties except Stevens, Eastman, and Hubbard who were interested in this matter?

Answer. Those are all the parties I know anything about, but what other parties are interested, or how they are interested, I do not know ; I entered into the transaction upon banking principles, and I only wanted to see that my security was all right, hence I did not inquire any further than that, and do not know anything except what I heard in conversation with them. The last parties I saw were Stevens and

Eastman ; nothing could be done without Stevens, because he made the original contract and draft.

Question. If Morgan fails to get his pay from the government for those guns who are you to look to?

Answer. I have had nobody to look to but to the government and the property.

Question. How large an interest have you in that draft?

Answer. I think likely we have an interest, in the way of commissions and advances, in all, some sixty-five or seventy thousand dollars, because there have been other large advances besides that.

Question. Advances through whom?

Answer. Advances connected with the same transaction.

Question. Have you made any advances to Mr. Stevens upon his interest in that contract?

Answer. We have ; I suppose that a portion of the money advanced at the time went to Stevens and the parties interested.

Question. Is there any way by which you can furnish the committee with the names of the persons, other than those you have named, who are interested in that contract?

Answer. No, sir ; I have never seen any person in connexion with the matter other than those I have named ; I would inform the committee with the greatest pleasure if I knew any others ; this man Hubbard seemed to be a kind of black mail man ; I could not see what interest he had in it otherwise ; his name was not used in the transaction, but from his first application to me he seemed to be interested in some way or other, but not interested in such a way as made it necessary for me to look after him at all.

NEW YORK, *October 9, 1861.*

Major P. V. HAGNER recalled :

Question. Are you acquainted with the Hall-North carbine which was altered by Marston under the direction of Mr. Stevens?

Answer. I have seen the arms.

Question. After that gun is altered by Mr. Marston what, in your opinion, is its value?

Answer. Considering the emergency of the times, I should say ten or twelve dollars.

Question. Why is it not worth as much as the government is paying for the Enfield rifle?

Answer. The Enfield rifle has a longer barrel and a bayonet attached.

Question. Have these carbines no bayonets?

Answer. They have none ; the original cost of the arm was probably more than twelve dollars, but I know they were sold by the government, as an arm of faulty construction, for much less.

Question. What was the alteration to which they were subjected by Mr. Marston?

Answer. They were rifled, and the chamber at the breech enlarged, so that the ball would take the groove.

Question. Do you know whether General Frémont had any personal knowledge of the character of those guns, or of their cost?

Answer. I do not.

Question. Have you had any interview with this Simon Stevens at Mr. Marston's shop of late?

Answer. On Friday last I was at Mr. Marston's shop inspecting some arms he was engaged in rifling for me, and Mr. Stevens entered the office. We were talking of pistols which the agent of the State of Maine wanted when Mr. Stevens came in. After addressing me, he called upon Mr. Marston for one of those Hall-North carbines, which, he stated, had been spoiled in the rifling, but which would indicate the character of the work done upon the rifle by Mr. Marston. He had previously asked my opinion of the carbines. He then asked me what I thought was the value of them. I told him, as I have told the committee, I thought they were worth from ten to twelve dollars, and that as to my opinion of them, I had always liked the principle of the gun as a breech-loader—the advantage, in my mind, being that the cartridge is introduced in front of its seat instead of behind it. I stated, however, that the mechanism of the gun, and the old plan of loading it, had, no doubt, caused its rejection as a breech-loader. Mr. Stevens then said he was very glad to hear my favorable opinion of it, and that he would ask the committee to call me before them to put my opinion in evidence. He then said, "Now, since you like these guns, major, Mr. Marston has three or four hundred of these arms, and he will sell them to you." He turned to Mr. Marston and said, "What will you sell those three or four hundred you have to the major for." I made no response to his first remark, nor did Marston. I kept my eye upon Marston, Stevens standing by his side, and I heard Stevens say in a whisper to Marston, after asking the question, "Say eighteen dollars—say eighteen," repeating it twice. I waited a moment to see whether Marston would act in collusion with him, but finding that he did not, and that he took no notice of what he said, I turned to Stevens and told him I had heard his whisper, and that I considered he had acted very improperly as professing to me to be a government agent, charged with the interests of the government; and that in consequence of his conduct I should feel bound to have no further official communication whatever with him. I then walked off. Marston followed me, and said to me in a tone indicating strong feeling upon the subject: "Major, I beg you let me say a word to you before you leave. Mr. Stevens had no right to use my name in any such connexion as he has done. I do not own the arms in the first place, and in the next place I have never had any improper connexion with any government sale. I have never received a bribe or present, but only fair wages for fair work. With whatever has occurred elsewhere I have had nothing to do."

Question. Did he say who was the owner of those guns?

Answer. No, sir.

Question. In what capacity did Mr. Stevens profess to be acting at that time?

Answer. His object in going there at that time, as he stated to

Marston, was to get an arm for the purpose of bringing it before this committee.

Question. Mr. Stevens had represented himself to you heretofore as acting in some official capacity for the government?

Answer. On first introducing himself to me he stated that he was an agent of General Frémont.

Question. When was that?

Answer. I should judge it was in July some time.

Question. Subsequent to that, and for how long a time, did he represent himself as acting in that capacity?

Answer. The last time I saw him, prior to this, at Marston's, he called at my hotel. He then told me he had been appointed upon General Frémont's staff, and was to receive an appointment; and he showed me a letter in which General Frémont addressed him as "Major Stevens."

Question. As early as June he had represented himself as acting as agent for Frémont?

Answer. Yes, sir. He stated, in the first place, that it was an unfixed kind of a thing. It was a remarkable state of circumstances so far as ordinary military arrangements go, and I so stated to him. When he first spoke to me upon the subject he said he was buying things for General Frémont, and when he had closed what he wanted to say I said to him, "This is all very irregular. If you are the authorized agent of Frémont I should have some assurance of it. I have no objection to giving you information as a private individual, but I can have no official intercourse unless you show me your credentials." But he never showed me his credentials.

Question. Did he state the character of his credentials?

Answer. He stated that he was to be on General Frémont's staff. That was in July.

Question. Subsequently he stated to you that he was, and he showed you Frémont's letter addressed to him as "Major"?

Answer. Yes, sir.

Question. When was that?

Answer. Within three weeks past—just before I saw him upon this last occasion at Marston's.

Question. He represented himself then as being a member of Frémont's staff?

Answer. He did not claim to be at that moment. He did not say so in so many words.

Question. Was it at that time that he showed you the letter of General Frémont?

Answer. Yes, sir. And that led me to say to him that it was perfectly satisfactory to me if I could get what I ought to have—that is, General Frémont's order in the case; that as soon as I could look upon him as an officer responsible to the same authority I was for his good conduct, I could communicate with him perfectly freely.

Question. Has he within the last three weeks been endeavoring to convince you that he stood in the relation of aid to General Frémont?

Answer. I could hardly use so strong an expression as that.

Question. What did he represent to you?

Answer. He led me to believe that he had then more authority than he had previously, and that he was addressed by Frémont as major, owing to some authority given by the general.

Question. When leading you to believe that he stood in that relation to General Frémont, was he endeavoring to procure your assistance in making purchases here?

Answer. He was asking me for information in reference to horse equipments, harnesses, and Wiard's guns.

Question. Have you at any time furnished him with supplies for General Frémont?

Answer. No, sir. I have had no direct communication with him. I have spoken to him about prices and things of that kind. He has made his own purchases, whatever they were.

Question. After obtaining such information as he could from you?

Answer. Yes, sir.

Question. Leading you to believe that you were rendering assistance to a person in confidential relations to General Frémont?

Answer. Leading me to believe that the information I was giving would enure to the benefit of the general government.

Question. I understood you to say he led you to believe by his conversation that he occupied such a relation to General Frémont?

Answer. I would not particularly say that my mind was made up upon that point. As I told you, it has been a very singular affair. He seemed rather indifferent about fixing his relation, but he certainly intimated that he stood in some such relation; and I think he told me that he had been or would be appointed on General Frémont's staff; that it had been promised him, and, said he, "You see now he addresses me as 'major,'" showing me a telegram and a letter.

Question. Prior to the time when you met him at Marston's did he ever speak to you about these arms?

Answer. I think not.

Question. And he never asked you, prior to that time, anything about the value of them?

Answer. No, sir; I was led to suspect that the purchase was made prior to my acquaintance with him, though I do not know that he had made the purchase.

Question. You never inspected those arms which went out west?

Answer. I never saw them.

Question. Do you know of any other purchases being made by Stevens besides these Hall-North carbines?

Answer. I have heard his name every day connected with these things; the names of both Stevens and Howard, but I do not know who Howard is.

Question. Of your own knowledge do you know of any other purchases he has made in behalf of General Frémont?

Answer. I do not. He ordered a Wiard's battery. Wiard himself told me that the first intimation he had about the matter came from Mr. Howard and Mr. Stevens. He told Stevens that he was not accustomed to deal with third parties. Stevens told him he had authority to act. Wiard said he wanted some confirmation of that assertion of authority. The result of that was that a telegram

came from Frémont, stating that Stevens had authority. Wiard then went on with his arrangements to make two batteries of cannon; but the man who built the carriages for him had his suspicions excited, and he came to me to inquire what I knew about it. I told him I knew nothing about it; that it was an irregular transaction, and that he ought to get something more definite than a telegraphic despatch. Then they wrote west, but not getting an answer immediately, Wiard sent on an agent to St. Louis, with a written contract. That contract came back to me in a letter from Captain Callender, approved by General Frémont. The letter from Captain Callender requested me to make the inspection. As that involved the inspection of a large amount of ordnance stores, and as the whole transaction appeared to be irregular according to the rules which govern us in the department, and also as I was exceedingly busy with my present duties, I sent Captain Callender's letter and the contract to the chief of ordnance, stating that I was interested in the subject and would gladly give the time if I was allowed to do so, but that I did not feel that I was authorized to take the responsibility of inspecting under the terms of that contract without the special instructions which I asked. In reply I yesterday received a communication from the Secretary of War stating that the contract had not been approved, inasmuch as it was in violation of the requirements of a law of Congress which directs that all contracts for ordnance stores shall be first submitted through the chief of ordnance, and receive the approval of the Secretary of War.

Question. In the telegraphic despatch received by Mr. Wiard did General Frémont represent Stevens as his aid?

Answer. I did not see the despatch, but I do not think the word "aid" was used in it at all. The order given by Stevens, or Major Stevens, as everybody seemed to call him, was sanctioned.

Question. What was the price, according to the contract, which the government agreed to pay?

Answer. \$11,500 for the six-pounder battery, and \$13,800 was the written price for the twelve-pounder battery. Mr. Wiard brought to me Captain Callender's letter and the contract, and I asked what meant that difference in price between the two batteries. He said the difference in weight in the guns. I calculated the difference with a pencil, and found that it would be only about 2,000 pounds, while the difference in price was \$2,300. The price of this metal is only sixty-cents per pound. He then discovered that it was a mistake. He said that the contract was drawn up in a great hurry, and as the mistake was his he would correct it instantly. Mr. Wiard is a scientific man, perfectly upright, and his chief anxiety seems to be to succeed in introducing a metal for cannon which will supply a want which all artillerists feel; a metal which shall be harder than bronze and more resistant than cast iron. Since my conversation with him upon the subject I have felt that the price of sixty cents per pound was quite as low as it could be afforded by a man who undertakes a new work, and one of small extent, like the one he has undertaken.

Question. This contract was made and consummated by General Frémont, embracing this difference of \$2,300 in price?

Answer. It was ; Mr. Wiard spoke of it at once, and said that was his mistake entirely.

Question. Would you not consider it loose practice in any officer of the government to sign a contract drawn up in that way ?

Answer. General Frémont simply wrote upon the paper " Captain Callender will enter into this contract according to its terms." Captain Callender then wrote upon the same paper, " The terms of the above proposition are accepted in accordance with General Frémont's order, and the battery will be delivered at New York for the inspection of Major P. V. Hagner." The whole thing was done in haste, and General Frémont did not look at the details. The mistake was an accident, as I was satisfied the moment I pointed it out to Mr. Wiard.

NEW YORK, *October 9, 1861.*

ALBERT W. ROBINSON, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. In this city.

Question. Have you been employed at Camp Scott at any time during the past summer ?

Answer. I have been ; I was employed there by my brother.

Question. In what capacity ?

Answer. In taking charge of the workmen there employed.

Question. Was your brother working for the government ?

Answer. He was.

Question. What is his name ?

Answer. F. A. Robinson.

Question. What kind of work was he doing there with the government ?

Answer. In building a hospital, stables, storehouses, repairing headquarters, and making meat boxes, medical chests, &c.

Question. Was he doing it under contract with the government ?

Answer. I think not ; I do not think he has received any pay at all.

Question. Have you received from him any pay for your services ?

Answer. Not yet.

Question. Have the men who were at work under you been paid ?

Answer. I cannot say positively ; I believe they have been paid, more or less ; but I cannot say what amount.

Question. Who paid what has been paid them ?

Answer. My brother, I guess, has paid them the most they have received.

Question. Has anybody else than your brother paid them ?

Answer. They have received orders through me—that is, some of them, though not all.

Question. What kind of orders ?

Answer. Orders on grocers on account of work done for F. M. Robinson ; those are the only kind of orders I gave ; what his arrangements with these men were I do not know, except as I have heard it from him.

Question. What did he say?

Answer. He employed them and agreed to pay them whenever he received his pay.

Question. What has your brother done towards getting his pay from the government for the work done at Camp Scott?

Answer. He has presented his bills for the purpose of payment.

Question. Was his bill certified to by anybody?

Answer. Yes, sir; by General Sickles and by the brigade quartermaster.

Question. To whom did he present the bills?

Answer. They were presented through me; I was authorized, in the first place, to go on to Washington and obtain the signatures of General Sickles and of the quartermaster to the bills, with the supposition that they would all have to be returned to the quartermaster's department here. But after they were signed they went to the quartermaster general's office at Washington, and I was instructed to get a power of attorney from my brother to collect them, and also to make duplicates of the bills presented there. That I did, and again presented the bills to the quartermaster's department. That occupied but two days short of four weeks. After presenting what they had required they ordered the bills over to the disbursing officer at Washington. The disbursing officer there referred them back to the disbursing officer here in New York. The disbursing officer here required that they should be indorsed over to him by Captain Ruggles or Adjutant General Thomas for examination, but that has not been done yet.

Question. There has been no money paid to you or to your brother upon that contract?

Answer. No, sir; I have been in Washington five weeks trying to get the thing through, but have failed for some reason or other.

Question. What was the amount of those bills?

Answer. A little over \$8,000.

Question. What part of the work done by your brother was done by contract with the government?

Answer. Only \$1,000 worth of it.

Question. The rest was for what kind of services?

Answer. For building stables, storehouses, guard-houses, hospitals, &c.

Question. Was that work done by the day?

Answer. Yes, sir.

Question. Who furnished the lumber?

Answer. My brother.

Question. From whom did he purchase it?

Answer. Part of it from one Adams, of Brooklyn, and part of it from Edward Green, of New York, and a portion of it was furnished from a stock which he had had on hand for a year or two.

Question. Do you know what part of this \$7,000 was for lumber purchases and what part for labor?

Answer. I think in the neighborhood of four or five thousand dollars was for lumber, and most of the remainder was for labor. There was some hardware and transportation furnished.

Question. What difficulty did you experience in Washington in getting these bills through?

Answer. Nothing further than that the bills were not exactly in the right shape. I suppose any other difficulty was beyond my control, from the fact that after I went to Washington they had a disbursing officer appointed here, and here is the place where I suppose the accounts will be finally settled.

Question. Did you get anybody to aid you in Washington?

Answer. No, sir, no further than to get the bills handed in.

Question. Who handed them in?

Answer. A man by the name of Morse.

Question. Where does he live?

Answer. I do not know whether he lives in New Haven or not, but I think he does. The way that happened was this: I went to the chief clerk of the quartermaster's department and he told me to put the bills into an envelope and send them up to the quartermaster general. I met this Mr. Morse, and I told him that as he was acquainted in the quartermaster's office he could probably save me time in putting in my bills.

Question. Is this Morse a stranger to you?

Answer. No, sir; I got acquainted with him in New York.

Question. What is his business in New York?

Answer. I do not know that he has any.

Question. What was his business in Washington?

Answer. I think he was engaged in disposing of pistols.

Question. And he said as he was acquainted he would take up your bills?

Answer. Yes, sir.

Question. Did you agree to give him anything for his services?

Answer. No, sir.

Question. Did you have any understanding with him in that respect?

Answer. No, sir.

Question. Did you make any promises to anybody that you would give them anything?

Answer. I do not think I did.

Question. Do you know whether you did or not?

Answer. I know I did not.

Question. Did you have an application from anybody to aid you for a consideration?

Answer. No, sir. I suppose you know as well as I do that there are brokers connected with all departments of the government. I was told that parties would push bills through. My answer to them was that my bills did not need anything of the kind.

Question. On what terms were you told that parties would push bills through?

Answer. I believe I was told that they were in the habit of asking from two to two and a half per cent.

Question. Who told you that?

Answer. I cannot say who it was.

Question. Where were you told that?

Answer. I cannot say.

Question. When were you told it?

Answer. That I cannot tell. This was all learned in a casual conversation.

Question. Who were the parties whom you were told would push bills through for this consideration?

Answer. I think the man's name was either McMullen or McMuller.

Question. Where does he reside?

Answer. I do not know.

Question. What facilities had he for pushing things through?

Answer. I do not know.

Question. Where were you told you could see him?

Answer. I was not told.

Question. What occasion had you for obtaining any such information?

Answer. No occasion but accident.

Question. Is that the story you have told about it all the while?

Answer. I have said that I was told that the bills could be got through for something of that kind.

Question. How high have you put the amount which you would be obliged to pay to get the bills through?

Answer. I have said if I had to pay anything, it would probably be \$250.

Question. What per cent. would that be?

Answer. Two or two and a half per cent.

Question. Have you stated to any of these workmen that you could not get the bills through without paying ten or fifteen per cent?

Answer. I have not.

Question. Have you stated to them that you could not get the bills through without paying some percentage?

Answer. I have not.

Question. Have you stated anything about it?

Answer. No, sir. I may have made the remark that the bills could not be got through in Washington without paying a percentage, but I do not think I have.

Question. What did you ascertain in Washington which led you to believe that they could not be got through without paying?

Answer. I ascertained that brokerage was sometimes paid.

Question. What did you ascertain there in regard to the payment of brokerage upon contracts?

Answer. Nothing but what I have already told you.

Question. Did you attempt to get your bills through with the assistance of any contract broker?

Answer. I made an attempt to get them through without any assistance.

Question. What obstacles did you find in the way beyond what you have already stated?

Answer. None.

Question. What occasion, then, had you to inquire how much it would cost?

Answer. I made no such inquiries.

Question. How came persons to make such a statement to you without inquiry?

Answer. They were volunteer statements made to me in the course of ordinary conversation.

Question. With somebody who knew that you had bills to get through?

Answer. I do not know whether they knew it or not. I think, though, they must have known I had an account.

Question. How was that fact ascertained?

Answer. I suppose in the course of conversation.

Question. What occasion was there for your talking to anybody about your contract outside of your office?

Answer. There were other parties there with bills besides myself.

Question. Did you make any application to anybody to aid you in putting your bills through?

Answer. No, sir.

Question. Did anybody offer to give you aid?

Answer. No, sir.

Question. Did anybody suggest that you could get aid?

Answer. It was suggested to me that there were parties in Washington who did that. I understood that a man under Brown's Hotel was in the habit of doing that.

Question. For how much?

Answer. I do not know anything about that.

Question. Just as they can make terms?

Answer. I suppose so.

Question. What did you understand to be the market price for such services?

Answer. I did not learn. I understood one man to say he could get his bills through by paying fifteen per cent.

Question. By the aid of these brokers?

Answer. He did not say.

Question. Who was that man?

Answer. A man by the name of Dayton.

Question. Where is he?

Answer. I do not know.

Question. What was his contract?

Answer. I do not know.

Question. Is he a man connected with the Anderson Zouave regiment?

Answer. I do not know.

Question. How came he to make that statement to you?

Answer. Because he made the remark that he had bills then for collection.

Question. Did he say that he had engaged to pay that sum?

Answer. No, sir.

Question. Did he say anybody had offered to put his bills through for that?

Answer. No, sir.

Question. What made you say to the workmen that you could not get the bills through without paying two or two and a half per cent.?

Answer. I did not say that.

Question. What did you say to them?

Answer. I might have said that I could have got them through by paying for it. But I do not recollect that I said even that. I think all the information you have got here is second-handed.

Question. Then you say you never told the workmen anything about it?

Answer. I think I never made any remarks to them.

Question. You say some of the workmen have been paid portions by orders from you upon grocers.

Answer. Yes, sir. And I know the fact, from my brother saying so, that some of them have been paid in full. I gave some orders, but no orders upon settlement in full.

Question. How much has your brother paid that has not gone through your hands?

Answer. I do not know. I have heard it said that he gave a number of orders.

Question. Do you know how you stand with the workmen?

Answer. I do not.

Question. Do you know how much work they have performed?

Answer. I know I have seen a statement of the amount of work they have performed.

Question. Were they hired by the day?

Answer. They were.

Question. Who kept the accounts?

Answer. My brother.

Question. What portion of the money which is coming from those services is coming to your brother, and what to you?

Answer. Nothing is coming to me, unless I shall be paid my salary.

Question. What do you get?

Answer. Three dollars a day, if I get anything.

Question. Have you any means besides what is coming to you from that source?

Answer. I have not.

Question. Has your brother?

Answer. He has a salary.

Question. What is his business?

Answer. He is a carpenter and builder.

Question. How is his property situated?

Answer. He has nothing more than the fixtures of his shop, and his stock on hand. I tell you further the want of this money not only destroys him but destroys me. If I were a boss builder in business now, I would not do a dollar's worth of work for the government unless I had the money first placed where I could draw it immediately upon the completion of the work.

Question. What did you do five weeks in Washington?

Answer. In the first place it took some days to get the signatures all right. It took ten days to get General Sickles's signature.

Question. What was the difficulty about that?

Answer. He was very busy, and was out at camp a part of the time. After that was obtained, as I told you before, they required at

the quartermaster general's office that I should obtain a power of attorney from my brother, and that took six days. After that they detained me two days at the quartermaster's office, and then referred the matter over to the disbursing officer, who was out of town for five days. After his return he took four days to dispose of what he did about the matter.

Question. How did you employ yourself there?

Answer. I went to the quartermaster's office twice a day; and some days I went to the hospital, and some days to the camps.

Question. How did your brother procure the lumber?

Answer. He had some means to start with, and his credit was worth something.

NEW YORK, *October 9, 1861.*

WILLIAM M. MARSTON, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. I reside in this city.

Question. What is your business?

Answer. I am a fire-arm manufacturer.

Question. Have you had anything to do with furnishing arms for the government?

Answer. No, sir.

Question. Have you any private interest in any contract for that purpose?

Answer. Not the slightest.

Question. Have you altered any arms for the government?

Answer. I have altered some arms for parties who were dealing with the government.

Question. For whom?

Answer. For a Mr. Stevens; and I am now altering some arms for other parties.

Question. What arms did you alter for Stevens?

Answer. A lot of Hall's carbines.

Question. How many?

Answer. About 4,000 of them.

Question. Did you make your contract with Stevens?

Answer. Yes, sir.

Question. At what price?

Answer. At seventy-five cents each, for the work I did on them.

Question. What work did you do?

Answer. I rifled them and chambered out the breech—the part which receives the cartridge. That includes pretty much all that was done to them.

Question. Did you make any contract with Mr. Eastman?

Answer. Not in regard to those guns.

Question. Have you in regard to any guns, lately?

Answer. Yes, sir.

Question. What was it

Answer. It was to alter some of Jencks's carbines.

Question. Did those arms come from the Navy Department?

Answer. Yes, sir.

Question. Do you know what disposition was made of those four thousand Hall's carbines?

Answer. I think I understood that they were to be sent to St. Louis, but I will not be positive.

Question. That contract you made with Stevens?

Answer. Yes, sir.

Question. Did Stevens pay you?

Answer. I received some of the money through him, and some of it through Mr. Pierpont Morgan. I got checks for both.

Question. Did Stevens represent that the arms belonged to him?

Answer. I really cannot say positively. He came to my shop and wanted to know if I would do such and such work, but I do not know whether I ever heard him say whether the arms belonged to him or not.

Question. Did Eastman have anything to do with the matter?

Answer. I do not know whether he had or not, though he used to come to the factory.

Question. Did you have in your factory any of Hall's carbines besides those four thousand?

Answer. I have now some three hundred in one lot, and perhaps one hundred and fifty in another lot.

Question. To whom do they belong?

Answer. I believe one lot belongs to Stevens, but I am not positive. The other lot belongs to Eastman.

Question. Which lot belongs to Stevens?

Answer. The lot of three hundred, I think.

Question. From whom did you understand that?

Answer. In conversation yesterday with Mr. Hoey he said he understood they belonged to Stevens.

Question. Who is this Mr. Hoey?

Answer. He is an employé of Adams's Express Company.

Question. Have you altered that lot of guns?

Answer. Yes, sir.

Question. Were they new guns?

Answer. No, sir.

Question. Were the four thousand new guns?

Answer. They were.

Question. Who engaged you to repair those three hundred?

Answer. Mr. Eastman; but Stevens paid me for them.

Question. When did he pay you?

Answer. He gave me an order upon some party down town some two or three weeks ago.

Question. Was it before or after Major Hagner and Stevens were to your shop together?

Answer. Before.

Question. Had you any interest in the guns when Stevens and Major Hagner were there together?

Answer. Not the slightest.

Question. Did Stevens, at an interview between yourself, Hagner, and Stevens, represent that the guns were yours?

Answer. He acted upon the presumption that I was the owner of them.

Question. Did you see him afterwards?

Answer. I have not seen him since.

Question. What did he say upon that occasion?

Answer. I was in conversation with Major Hagner, and Mr. Stevens was standing by. Stevens spoke about my having three hundred of Hall's carbines, and said, "Marston has got three hundred carbines here in his shop." Of course I had three hundred in the shop, but they were not my property. Says he, "Marston, what will you take for those guns?" I first supposed he was joking. Finally Stevens whispered and said, "say eighteen dollars." I did not understand it. I had not been drilled sufficiently, I suppose. Major Hagner overheard what Stevens had said, and he told Stevens he did not wish to have anything more to do with him. He was going out, and it happening at my place, I went to the Major and tried to explain the matter. I was indignant that Stevens should presume to make that remark. It certainly seemed to create an unfavorable impression upon the Major, and which remark I was just as innocent about as he was. I do not know why Stevens should have presumed in that manner, because he never saw anything in my conduct that would justify such a presumption.

Question. Your indignation was that he should try to use you?

Answer. That he should try to make a tool of me.

Question. Are you acquainted with the value of fire-arms?

Answer. Yes, sir, pretty well. I have been in the business all my life.

Question. What, in your opinion, was the value of those arms after you altered them?

Answer. Two years ago I was offered carbines like those for three or four dollars each.

Question. By whom?

Answer. By Mr. Hart. I do not know how many, but he said he had some, and he would sell them, and take in pay such arms as I was then manufacturing. And I know that other arms are selling now for \$29 each that at one time were made and sold for about \$12 apiece in this city.

Question. What do you think is a fair value for this arm after being altered by you?

Answer. I can hardly tell, the value depends upon so many circumstances. Colt has put forty per cent. additional upon his pistols, I understand; and I have had to raise on what I have manufactured, for workmen want more these times, and we have to pay the advance.

Question. What was the character of the weapon after you fixed it?

Answer. It was a good arm.

Question. How is the bore as compared with the Enfield and Springfield rifles?

Answer. I believe Hall's carbine is $\frac{58}{100}$ of an inch bore, which is the regular United States carbine size, as I understand.

Question. Did you get your pay for altering the four thousand?

Answer. Yes, sir.

Question. Was that paid you by draft upon any banking house in this city?

Answer. The last money I received was on a draft on Duncan, Sherman & Co., given to me, I think, by Mr. Morgan, of Exchange Place.

Question. Are there many of those guns in the market?

Answer. There seemed to be a good many. This was as good a lot of guns as I ever saw.

NEW YORK, *October 9, 1861.*

CORNELIUS S. BUSHNELL, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In New Haven, Connecticut.

Question. What is your business?

Answer. I am president of the Shore Line railroad; a commercial man, and I was for the last seven years the head of the house of Bushnell & Co., wholesale grocers.

Question. Have you had anything to do with the sale of ships?

Answer. I have been in the sailing, building, and managing of ships ever since I was 15 years old. I was captain when 15 years of age, owner of one-half of two when 18, which I had earned myself.

Question. Did you have anything to do with the building of the sea steamer "Stars and Stripes?"

Answer. I caused her to be built.

Question. What particular connexion had you with building her?

Answer. I hired her built.

Question. What did she cost?

Answer. I think her bill at Mystic, the place where she was built, about \$36,000, and the fitting up and supplying bills would not vary much from \$4,000, to say nothing about my expenses and salary.

Question. Did you own her?

Answer. I owned one-third of her.

Question. Who owned the remainder of her?

Answer. She was owned by the New Haven Propeller Company.

Question. You owned one-third of the stock of the corporation?

Answer. Yes, sir.

Question. What did she stand in to the company?

Answer. I do not know how to answer that question, as we took the earnings as she earned anything to pay the cost of fitting her up.

Question. Did not the company have the means of knowing how much she cost them?

Answer. Yes, sir.

Question. Have they never ascertained that fact?

Answer. I think our secretary and treasurer could tell you to a cent, and I can tell you to within \$500. The absolute cost, saying nothing about salaries, would not vary \$500 from \$40,000.

Question. When was she built and put afloat?

Answer. She was put afloat, I think, in June last.

Question. She was chartered to the government a while, was she not?

Answer. Yes, sir; about two months.

Question. On what terms?

Answer. At \$10,000 a month for the first month, and \$9,000 a month all the time after that that they should want her. We run her and paid all expenses.

Question. Do you know the net earnings of the charter?

Answer. The first month it was not far from \$8,000, and for the rest of the time less than \$7,500—not quite \$15,000 in all.

Question. Did you sell that vessel to the government?

Answer. Yes, sir.

Question. At what price?

Answer. At \$55,000.

Question. Where did you effect the sale?

Answer. I offered her in Washington directly to the Secretary of the Navy, and a few days after my last offer to the Secretary of the Navy Mr. George D. Morgan bought her of me on behalf of the government.

Question. Where were you when he effected the trade?

Answer. At Mr. Morgan's office.

Question. Where was the ship at the time?

Answer. She was at Washington or on her way home.

Question. What personal examination did Mr. Morgan make of her?

Answer. He went on board of her with Constructor Pook when she arrived here.

Question. Before the trade was closed?

Answer. The negotiation was commenced two or three days after.

Question. Did you go to Washington more than once upon that business?

Answer. Yes, sir; half a dozen times upon that trade and others.

Question. Were you there more than once upon that trade?

Answer. I cannot say that I really went once upon that trade alone.

Question. How many times did you come to New York upon that business?

Answer. I do not remember to have come more than two or three times.

Question. Did anybody go with you to Washington to help you?

Answer. Nobody.

Question. Did no one help you when you got there?

Answer. No, sir; not that I know of. I had no help.

Question. Did you have any aid here?

Answer. No, sir.

Question. The trade was the result entirely of your own efforts.

Answer. It was.

Question. Exclusively so?

Answer. So far as I know.

Question. You had no aid of anybody else, did you?

Answer. Not that I know of. I do not know that I can say that I had no aid at all, for I do not know but I had considerable, because I told half a dozen men in Washington that I wanted to sell the vessel.

Question. You employed nobody?

Answer. I did not.

Question. Did you pay anybody anything?

Answer. Not a dollar.

Question. Did you pay Mr. Morgan anything?

Answer. I paid him a commission.

Question. How much?

Answer. Two and a half per cent.—the regular ship brokerage.

Question. Was that all you paid out toward effecting the sale of the vessel?

Answer. Everything, except my personal expenses.

Question. Is what you paid Mr. Morgan, and your expenses here and there, all you paid?

Answer. That is all.

Question. And what you received, after deducting these sums, is net to the company or yourself?

Answer. Yes, sir.

Question. The remainder was the net proceeds of the ship?

Answer. Yes, sir.

Question. You had nobody's aid in selling the vessel?

Answer. I would not say I did not.

Question. I mean aid, for which you paid?

Answer. None whatever.

Question. Did you state to anybody that you did?

Answer. I have stated that I employed nobody. I have stated that I paid out money, in connexion with the transaction, for my own expenses.

Question. Did you state to anybody that you paid out money beyond your own expenses, and beyond what you paid Mr. Morgan?

Answer. To be sure, but not in effecting the sale of the vessel.

Question. Did you state to anybody that the compensation which the company finally gave you would not finally make you whole?

Answer. Yes, sir.

Question. How much was that compensation?

Answer. The gross compensation paid me was \$8,000.

Question. Tell us why that would not make you whole.

Answer. In the first place, you should deduct the commission on that part of the vessel which I myself owned, and that commission would amount to a little over \$2,600; and then you should deduct the two and a half per cent. commission paid Morgan, which, receiving the discount on treasury notes at the time, would amount to \$1,400. Then I spent considerable in travelling and in hotel bills. The expenses directly growing out of going to Washington and returning would probably be about \$1,500. Not a dollar of the money I received was paid to any party for assistance or aid, but it went in connexion with my efforts to sell the vessel. Ten dollars of it went to assist this man in a Connecticut regiment, and ten dollars to an-

other man. My expenses were just about as free as water, and when I footed up my expenses I made my charges to cover all expenses. Then I spent about \$1,500 for plans, specifications, and services of engineers, in reference to getting up models and plans for iron-clad vessels, which I should not have done at all but for what I got from the sale of that vessel. Of the remainder I cannot give any account, except that I have used it up, here and there, in family expenses and other things.

Question. State what use you made of the plans of iron-clad vessels in effecting the sale of the "Stars and Stripes?"

Answer. Not the least use. That was the consequence of getting this \$8,000. It was in consequence of making that sale that I spent the money in that way.

Question. What connexion had the getting up of plans for iron-clad vessels with the sale of the "Stars and Stripes?"

Answer. Not the least. The sale only put money into my hands.

Question. Do you say that you paid as expenses in going to Washington to effect the sale of this vessel, for hotel bills and fare, \$1,500?

Answer. Not at all.

Question. What did you spend in that way?

Answer. I do not believe their expenses amounted to \$300, much less \$1,500.

Question. Of the \$1,500 which you specified as expended for plans and specifications, what portion of it had anything to do directly with the sale of the vessel?

Answer. None of it had the least connexion with it. The investment of that sum of money in that way was a consequence of my having received it from the company.

Question. If you add \$500 for fares and hotel bills to the \$1,400 you paid Mr. Morgan it will make \$1,900. Now, how much did you receive from the company?

Answer. \$8,000.

Question. In what way did you appropriate the remainder, so that \$8,000 would not make you whole?

Answer. I added in my salary and all expenses in consequence of receiving the \$8,000.

Question. Then a portion of the \$8,000 was compensation to you by way of salary during the time you were engaged in selling the vessel?

Answer. Yes, sir; from the time the construction of the vessel was commenced.

Question. And a portion of it was for plans of iron-clad steamers which your company went into after you sold this vessel?

Answer. Our company did not go into that at all.

Question. Who did?

Answer. I went into it personally.

Question. And you charged the company for that?

Answer. I did not charge the company for it.

Question. You said you were not going to make yourself whole?

Answer. I told them I was *minus*.

Question. Then when you told the company that \$8,000 would not

make you whole, you only meant to say that it would not make you whole in your general transactions, including what you disbursed to the Connecticut volunteers, and what you spent in getting up plans of iron-clad steamships?

Answer. Yes, sir; I put them all in.

Question. Did you render an account to your company?

Answer. No, sir.

Question. Did they require it of you?

Answer. No, sir.

Question. Did they ever ask of you an account?

Answer. Never.

Question. Did they never ask you how you had spent any portion of the \$8,000?

Answer. Never.

Question. Did you never tell any of them that you had spent it in a way that it would be a breach of faith upon your part to tell?

Answer. Not that I know of.

Question. Did you spend a dollar of that money in a way that you did not like to tell of?

Answer. My objection to telling was based upon general grounds. I did not feel under any obligation to tell.

Question. Had you no other objection except that it was none of the company's business?

Answer. That was the main reason.

Question. Had you no other reason?

Answer. I did not want them to know where the money had gone.

Question. Did you not tell the company that you had to pay money to obtain influence to sell the ship?

Answer. I told them it cost a great deal of money to go to and from Washington.

Question. I ask you if you did not tell them that you spent a great deal of money to obtain the influence of political men to aid you in selling the vessel?

Answer. I do not recollect of saying any such thing.

Question. Did you say anything that would lead to that inference?

Answer. Not that I recollect.

Question. Did you not tell them that you had to pay sums of money for aid to procure the sale of the steamer?

Answer. I told them it cost sums of money.

Question. Did you not tell them what I have said?

Answer. No, sir.

Question. Did you tell them that there were men in Washington who made it their business to do such things, and that you could not get along without paying them?

Answer. I might and I might not; I have frequently said that.

Question. Did you not tell them that as an explanation of the reason why you charged them \$8,000?

Answer. I do not recollect of telling them any such thing as that?

Question. Did you not tell them that there were ex-members of Congress who were in the habit of charging for their influence, and that you were obliged to pay them?

Answer. I remember that a remark of that kind was made when the matter was under discussion.

Question. What was the remark that did come up?

Answer. I think I made the remark that a Massachusetts ex-representative was in the habit of assisting his constituents and charging them a fair commission. I did not have an introduction to him.

Question. What occasion had you to make that remark in connexion with the sum you charged?

Answer. Because some of them thought I charged too much.

Question. And as an explanation of that you made the remark?

Answer. Yes, sir.

Question. What occasion had you to make an explanation if you had not paid a cent?

Answer. I claimed to step into the position of an ex-member and effect the sale.

Question. Was that the way you intended to be understood by those men—that you were charging for your great influence?

Answer. Yes, sir, and for my efforts.

Question. Like the distinguished ex-member of Congress from Massachusetts?

Answer. That is exactly it.

Question. Did you speak of a distinguished ex-member of Congress from Ohio who was in the habit of doing that thing?

Answer. I did not know of any such.

Question. You simply illustrated the manner of your charging by alluding to the fact that there was a distinguished ex-member from Massachusetts who charged a commission for his services?

Answer. Yes, sir.

Question. You never represented that you paid anything?

Answer. No, sir; no further than the commission to Morgan and my expenses.

Question. Then when your company asked you to tell them where you had paid money, what objection had you to telling?

Answer. I very frankly tell you that my reason was simply this: some of the company might not appreciate the saving of my \$2,500 or \$2,600 as my part of the charge.

Question. That is, you thought it better to mystify the matter.

Answer. I did not mystify it.

Question. You mystified the amount you charged by declining to tell where you paid it out.

Answer. Not at all.

Question. What did you mean by telling them you would not be made whole when you got \$8,000?

Answer. That I had expended in various ways, since the vessel was launched, more money than that.

Question. In connexion with that vessel, did you say?

Answer. In connexion with that and other matters.

Question. I understand you to say that in the items which go to make up the charge of \$8,000 there was \$1,500 which you charged for getting up plans of iron-clad steamers—a matter of your own, and with which the company had nothing to do.

Answer. I did not charge for that; I was only stating to you how the \$8,000 had gone.

Question. When you stated that you would not be made whole, why did you reckon in an item of \$1,500 which had nothing whatever to do with it?

Answer. Because, if it had not been for the sale of the "Stars and Stripes" I should not have expended that money.

Question. Then you mean to say that having placed yourself in funds by a sale of the "Stars and Stripes" you went into another speculation which cost \$1,500, and that you put in towards making up the \$8,000.

Answer. Yes, sir.

Question. Did you make up the remainder of the \$8,000 in the same way?

Answer. Yes, sir, and a good deal more.

Question. Do you now say fairly and squarely that, with the exception of the regular commission of two and a half per cent. paid to Morgan, no mortal man was paid anything for their aid in procuring the sale of that vessel?

Answer. I say distinctly that I never paid a dollar for any such purpose to any living man. I paid money freely in various ways. I had several gentlemen dine with me in Washington, and all that might perhaps be said to aid me, and perhaps not. Such things may have cost me a hundred or one hundred and fifty dollars.

Question. Did you know of any other ex-member of Congress, or any present member of Congress, who were in the habit of selling their services?

Answer. No, sir.

Question. Then all your intimations of the kind, if you made any, had no foundation in fact?

Answer. I do not know that I made any.

Question. And any impression of that kind which was left upon the minds of the stockholders or directors was a mistaken impression?

Answer. I do not know that they had any such impression. Very likely they might have had such an impression.

Question. Did you tell Mr. Morgan how much the vessel cost?

Answer. I did not. I told him that she would cost them \$60,000. He might have understood me to say that she had cost \$60,000. I told him she would cost that now.

Question. What did you mean?

Answer. Before I made the final trade I took the trouble to see how much she could be built for, and the lowest estimate was \$60,000.

Question. Then when you told him that she would cost \$60,000 you did not mean to say that was what she actually cost, but only that he could not get as good a vessel for less than \$60,000.

Answer. That was all. I meant that she was as good a vessel as he could get built for \$60,000.

Question. His inquiry of you as to what she cost was not an inquiry of your opinion as to what she could be replaced for?

Answer. I guess he asked me what she had cost.

Question. And you responded by telling him what she would cost.

Answer. That is it.

Question. How did you mean to have him understand it?

Answer. I meant to have him understand that she would cost \$60,000.

Question. When he asked what she did cost, did you understand that he asked what would be the cost of another vessel like her?

Answer. I cannot say.

Question. Did you really then deceive him?

Answer. Not intentionally. I did not think that what she had cost was any of his business.

Question. When he asked what the vessel had cost why did you not answer him by telling him what she cost, or by telling him it was none of his business?

Answer. I did not think of it. I gave him the first answer which came into my mind.

Question. I submit to you whether that was a direct answer to his question?

Answer. I cannot for the life of me see anything wrong in the answer.

Question. That is not an answer to my question. I ask you if that is a direct answer to his question?

Answer. It was the answer I gave him, but I cannot say that I think it was a direct answer.

Question. Do you think it left a correct impression upon his mind?

Answer. I do not know whether it left a correct impression, but I think it left a proper impression.

Question. If it left the impression that the vessel cost \$60,000, was it a correct impression?

Answer. I did not intend to give him any such idea. I told him I could not afford to sell the vessel for less than \$55,000.

Question. When you found him trying to ascertain what the vessel cost, what was you trying to say to him?

Answer. I was trying to give him an impression of what she was worth.

Question. Then you were not trying to give him an answer to his question?

Answer. I declare I do not know how to answer that question. I was trying to give him a correct idea of the value of the vessel. I built her when labor and materials were little more than half their present value.

Question. Was the shipping business as good last summer as it is this summer?

Answer. Yes, sir; much better; but I built her after South Carolina had raised the devil, and when the ship-builders all along our road left their ship-frames up unfinished.

Question. But that would not affect the answer to the question as to what she cost.

Answer. I cannot see anything wrong in the answer.

Question. Suppose you answer my question, which is, do you think that was a correct answer to his question?

Answer. I cannot see anything wrong in the answer.

Question. I do not ask you about the morality of the thing, I am only inquiring as to a question of fact. Did you give him a correct answer to his question?

Answer. Yes, sir; I should say I did.

Question. Then when he asked you what the vessel cost you think you answered correctly by saying that she would cost \$60,000?

Answer. I answered him according to Yankee phrase, that is, by telling him what she would cost.

Question. Then your answer to my question is that you answered him according to Yankee phrase?

Answer. I answered him according to Yankee phrase.

Question. I put the question to you so that you may have an opportunity to answer it. When Mr. Morgan asked you what the vessel cost did you answer him correctly?

Answer. I should say I did not give him an answer to that question.

Question. The next question is, why did you not give him an answer?

Answer. Because I thought that was my business and not his.

Question. Were you disposed to tell him the entire truth about the matter?

Answer. Yes, sir-ee.

Question. Was it not the truth about the matter that she cost in the neighborhood of \$40,000 instead of \$60,000?

Answer. Yes, sir.

Question. Did you tell him that fact?

Answer. I should have told him if he had insisted on it.

Question. Did you?

Answer. I do not think anything more was said.

Question. Do you not suppose he would have insisted upon it if he had not supposed he had already got an answer when you said she would cost \$60,000; and do you not suppose he understood that he was buying for \$55,000 a vessel which cost \$60,000?

Answer. I do not know; I remember I said to him that she was entirely new, and that she was seven feet wider than the twenty-three gunboats which were being built; that she was larger than the gunboats every way, and that I would sell her with boilers and machinery complete for what the hull of a gunboat cost.

Question. Then if Mr. Morgan thought you told him that she cost \$60,000 he is laboring under a mistake?

Answer. Yes, sir.

Question. And if any of the stockholders or directors of your company think that you told them that you were obliged to pay out that \$8,000 to procure influence that aided you in effecting the sale, they were mistaken?

Answer. Yes, sir.

Question. You say that in making up the charge of \$8,000 you calculated in your own share which was \$2,600?

Answer. Yes, sir.

Question. Was not this a joint stock company?

Answer. Of course.

Question. Then the \$8,000 was taken out of the funds of the company, was it not?

Answer. The treasurer of the company received all the money and paid over to me \$8,000; the whole burden of the company had been thrown upon me from the commencement; the company has done first rate, quite as well I think as they were entitled to, and I thought I would charge a rousing commission and use the money to help on the war; that was my sole object.

Question. Then you charged them \$8,000, but not because it was properly chargeable?

Answer. Yes, sir, it was a legitimate charge, more or less, as I chose to make it.

Question. Will you explain how it helped on the war to charge the government \$55,000 for a vessel which cost less than \$40,000?

Answer. I believe that the use of that \$8,000 will do more than fifty regiments towards settling this controversy with the south.

Question. Could not you have got along just as well if you had let the government have the vessel at cost?

Answer. No, sir; for I should not have had the money to develop the mechanical ingenuity and constructive skill which I have developed and employed during the last three months.

Question. Could you not have done the same thing if you had not happened to get the \$8,000?

Answer. Not at all; as soon as I had effected the sale I went to work with the money I expected to get and set men to work.

Question. How long was it after you sold the vessel and the company got their pay before you received your \$8,000?

Answer. About two months.

Question. And then it was within that two months that you did so much for the country?

Answer. Within that time and since, and you will soon see the result; I wrote a letter to Commodore Smith that if we succeeded in producing what we desired it would be worth a hundred regiments.

Question. Are you going to take out any patent for your invention?

Answer. Yes, sir; we have a patent. I think you may thank that \$8,000 for producing a battery which can go into Charleston or Mobile harbors and take the forts there without the loss of a man. We offer to furnish bonds to the amount of \$350,000 that we will build a vessel perfectly impregnable, and which can go into Norfolk harbor without the loss of a man. We offer to go into Charleston harbor unharmed, or refund the money to the government which she pays for the vessel. In fact, if we do not accomplish that we expect to return the money.

Question. Is that vessel being built now?

Answer. Yes, sir.

Question. You thought it justifiable to take that \$8,000 from the stockholders of your company and expend it in that way?

Answer. Absolutely it is the proudest act of my life; I took the money from a company which had been abundantly fortunate.

Question. How fortunate would a company be that sold for \$55,000 a vessel which could not be replaced for \$60,000?

Answer. Its good fortune was that the vessel did not cost that ; they were fortunate in the same way they would have been if they had bought six months ago a hundred bales of cotton for ten cents a pound and sold it to-day for twenty cents.

Question. Then this good fortune lay in building the ship?

Answer. Yes, sir, in building it so cheaply.

NEW YORK, *October 10, 1861.*

DANIEL D. T. MARSHALL, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am naval storekeeper.

Question. What has been your business heretofore?

Answer. Dry goods business.

Question. Have you any knowledge of or connexion with contracts of the United States, or of the State government, for furnishing troops with supplies?

Answer. I made some offers to the government.

Question. State your experience in reference to that matter as briefly and as perfectly as you can.

Answer. Under the first advertisement which appeared, inviting proposals to furnish supplies to the State for the troops, I made an offer to furnish shirts ; that was in May or June.

Question. What were the articles advertised for?

Answer. Among other things which I bid for were blankets, drawers, shirts, and hosiery.

Question. What pains did you take, before you made the offer, to ascertain the real cost of the articles?

Answer. I sent an experienced hosiery man to Albany to examine the samples, and then went myself to some manufacturers to ascertain what they could be made for, and how soon a certain quantity could be delivered. I found one manufacturing establishment—that of Governor Sprague, of Rhode Island—that could turn out 600 shirts per day, of a quality, in the judgment of my hosiery man, very superior to the sample which was exhibited to us at the quartermaster general's office at Albany. Those shirts and drawers I offered to furnish at 46 cents each.

Question. State the circumstances under which you made the bid.

Answer. I made a bid in form, and mailed it Saturday morning to Albany. The bids were to be opened the next Tuesday morning, at 10 o'clock. I mailed the bid myself.

Question. In time for the Saturday's mail up the river?

Answer. Yes, sir ; and long before.

Question. What was the result of your bid?

Answer. The result was, that the Wednesday morning following that Tuesday I received my bid back, with a letter stating that they

were sorry my bid had not arrived in season. I understood that other gentlemen had their bids sent back which they had sent back a week before.

Question. Can you give the names of those gentlemen?

Answer. I think I can, but not now.

Question. At what price was that contract given out?

Answer. I wrote a letter to the comptroller, stating that it was strange that a letter of mine should be three days in going to Albany, when it was only eight hours off by steamboat and five by railroad. I have a letter from Dennison, the comptroller, in which he states that the contract was given out to Pierce & Brothers, of Boston, for \$1 15 for shirts and \$1 30 for drawers.

Question. Could those articles have been furnished at the price you offered?

Answer. Yes, sir; and I could have made half a dollar a dozen on them. I had agreed with the manufacturer to make them for me, subject to inspection, for five dollars a dozen.

Question. What, in the aggregate, was the difference between the bid you made and the bid which was finally accepted?

Answer. The price, under the contract, is very nearly three times my bid.

Question. What difference does it make to the State on the whole contract?

Answer. It would make a difference of \$25,000 on the shirts and about \$20,000 on the drawers.

Question. Did you learn that other bids put into the mail earlier than yours received the same treatment?

Answer. I have been told so.

Question. Were those bids lower or higher than the one accepted?

Answer. Lower.

Question. What explanation, if any, was ever given you in reference to this matter?

Answer. Lieutenant Governor Campbell stated that they substituted another sort of shirt in the place of the one advertised for, and that they gave out the contract through the advice of some army officers. But that contract they got frightened about, and it was thrown up.

Question. Was any public notice given of that change?

Answer. Not to my knowledge. The changes in the contract were all made upon the spot.

Question. Will you furnish the committee with a copy of your contract or bid, and also of the correspondence upon the subject?

Answer. I will. I also offered, at the same time, to furnish blankets at \$3 50 or \$3 75 per pair, weighing eight pounds, 68 by 80 inches; but they gave a contract for an inferior blanket to Corwin, Huxtable & Sears for \$4 25.

Question. Was your offer in the shape of a regular bid?

Answer. It was a bid in regular form.

Question. Was there any explanation given of that?

Answer. I have heard that an explanation was given, but none was given to me.

Question. Did Lieutenant Governor Campbell's explanation extend to the drawers as well as the shirts?

Answer. Yes, sir.

Question. From your official position, have you any knowledge of the manner in which the contract system for furnishing supplies for the navy has been carried out?

Answer. I have.

Question. Will you give to the committee a statement of what you know upon that subject?

ST. LOUIS, *October 21, 1861.*

THOMAS J. HAINES, being duly sworn, was examined as follows :

Question. Are you stationed in this city?

Answer. Yes, sir.

Question. What is your official position?

Answer. I am captain of the subsistence department.

Question. Do you know anything about a lot of blankets which were purchased here for the army, and which you, with two other army officers, were appointed to examine? If so, state what you know about them.

Answer. I was appointed a member of a board of survey to examine some blankets.

Question. Where were the blankets?

Answer. At one of Major McKinstry's storehouses.

Question. By whom were they furnished?

Answer. It is my impression that they were furnished by parties in Philadelphia—a man by the name of Davis being one of them. Major McKinstry having reported the blankets as unfit for use, a board of survey was appointed, composed of Captain Hendershott, Captain Turnley, and myself. We examined several bales of blankets in a room which was filled up with them. We examined them sufficiently to convince ourselves of their character. I suppose there were four or five thousand blankets, in bales, part opened and part not. We examined several bales, including three or four different kinds. A report was signed by every one of the members of the board of survey stating that the blankets were unfit for issue, being rotten, and that they should not be taken at the invoice price, or, indeed, at any price; and that they were entirely worthless to the government. After that report was handed in the board was ordered to be reconvened to re-examine the blankets in the interior of the bales. Captain Davis, who was not present at the previous examination, was present at the subsequent one. We re-examined the blankets.

Question. What did Captain Davis do?

Answer. My impression was that he was somewhat interested in changing our views in reference to the blankets. The principal objection which he made to me was that we had reported the blankets

were *rotten*, a term which would render them unmerchantable. I told him that my idea of their being rotten was that they would easily tear, and were so tender that they would almost fall to pieces. I remember now that the report stated that some of the blankets were composed in part of cotton. Captain Davis said that we had reported the blankets as rotten, the mercantile meaning of which was that they were decayed, and my impression from what he said was that that was his greatest objection to our report. We re-examined a great portion of the blankets, and Captain Hendershott and myself signed a report still stating that they were unfit for use. That report was handed to Captain Turnley, who was the senior member of the board, and after that I did not see it. What he did with it I cannot say, and is not within my knowledge, except from hearsay.

The following is a copy of the first report of the board of survey :

ST. LOUIS, Mo., *September 5, 1861.*

The board met pursuant to the above order, present all the members, and examined the blankets presented by the chief quartermaster of the department as received from Henry C. Davis. The bills of the blankets were also presented.

The board examined three different kinds of blankets from the bales presented for their inspection, and found them *all* rotten, and one kind made partially of cotton ; and the board is of the opinion that the blankets are all entirely unfit for issue to troops, and should not be received by the United States at the prices indicated by the bills, or indeed at any price, as they are considered valueless for service.

There being no further business before the board it adjourned *sine die*.

The board was reconvened in pursuance of an order, of which the following is a copy :

SPECIAL ORDERS No. 155.

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, Mo., September 9, 1861.

The board of survey instituted by Special Orders No. 130, of September 5, 1861, composed of Captain P. T. Turnley, assistant quartermaster ; Captain H. B. Hendershott, 2d artillery ; and Captain T. J. Haines, commissary of subsistence, will reconvene to-morrow, at 11 o'clock a. m., to re-examine the bales of blankets, particularly the interior of the bales, previously submitted to it.

By order of Major General Frémont.

J. C. KELTON,
Assistant Adjutant General.

A true copy.

T. J. HAINES,
Captain and Commissary of Subsistence.

Question. Were those blankets all wool?

Answer. We stated in our report that one portion of them were to a considerable extent cotton.

Question. You say that your impression is that they came from Philadelphia?

Answer. Yes, sir. My impression is that a brother of Captain Davis was one of the interested parties. At any rate, Captain Davis was present during the second examination, and seemed considerably interested in having the opinion of the board changed.

Question. Did you understand that this brother of Captain Davis was a member of Congress from Pennsylvania?

Answer. No, sir.

Question. Do you know a member of Congress from Pennsylvania by the name of Davis?

Answer. No, sir. I do not know any of the parties concerned in this affair.

Question. What did he say which led you to infer that he was anxious to have the opinion of the board changed?

Answer. He talked a great deal about our use of the term "rotten," which he said was a mercantile term, which meant that they were decayed, and therefore not merchantable blankets. We examined them to see whether they were fit for the use of the troops. I told him we were ordered to examine them as officers and not as merchants.

Question. Did you show to him that they were tender?

Answer. Yes, sir; I tore fifteen or twenty of them to pieces in his presence. But the great point he seemed to urge was that they were cheap.

Question. Do you know how cheap they were?

Answer. I do not. The invoices were all handed to me by Major McKinstry, but after we got through with the examination I sent them back to him, with all the other papers. The first report he made was that they should not be received by the government at the prices therein stated, nor indeed at any price. There were two or three different kinds of blankets. Most of them were useless for any purpose whatever. Some of them might have been used in hospitals where they would not be exposed to much wear and tear.

Question. Do you know anything about the contract for the supply of beef for this western department?

Answer. Yes, sir. I made a beef contract myself.

Question. With whom?

Answer. With Albert Pierce.

Question. Was anything said about it between yourself and the major general?

Answer. A letter was received by me enclosing a letter from Mr. Pierce to General Frémont direct, proposing to furnish all the troops in this western department with beef on the hoof at \$3 85, gross weight, per hundred pounds. That letter was enclosed to me in a letter from Major Eaton, the military secretary of General Frémont, calling my attention to the matter, and stating that General Frémont considered it an eligible offer; that I was desired to come to the office of the general that day, when Pierce would be present, to have an

interview. I was also directed to embody my views upon the subject in a written report. I did so, reporting against it. I went to General Frémont's headquarters; Mr. Pierce was not there, and I neither saw him or General Frémont that day. Some days afterwards I was sent for upon the same subject. After some conversation I prepared an advertisement.

Question. What was the conversation?

Answer. The general spoke of the necessity of having beef, and of the ability of this person to furnish it. I called the attention of the general to the fact of the necessity of advertising. He desired that I should see Pierce. I went home and wrote an advertisement, and took it up to General Frémont next day. He then appeared to leave the matter entirely in my hands, and the advertisement was published. I might as well say that the day after taking the advertisement up to General Frémont he sent one of his military secretaries down to inform me that I might give the advertisement the usual times of publication. The advertisement for proposals was published, and the bid of Pierce was the most eligible one put in, being \$3 50 per hundred, to be delivered anywhere in the department; to be fed, driven, and slaughtered for the year.

Question. On what ground did you report upon the original proposition?

Answer. It was too high.

Question. What reason did the general give you why the contract should be let to Pierce?

Answer. The necessity of having all the troops supplied with fresh beef, and of letting the contract to some reliable man.

Question. Was Pierce in the beef business?

Answer. He was not; but he was a reliable man.

Question. Was he the only party interested?

Answer. I imagine there are two or three other parties interested in the contract.

Question. Who are they?

Answer. I cannot say positively, but I suppose they are Dr. A. W. Mack and Samuel Holmes, of Illinois. I do not know officially that they are the persons, but I presume they are. I might add, that after the bids were all in and the contract awarded, I wrote out the contract and sent it to General Frémont for his action before I would do anything about it.

Question. What action did he take upon it?

Answer. He made some slight changes in it.

Question. What changes?

Answer. In the original draft I had inserted the provision that the contract should not affect any contracts existing at posts occupied prior to the present insurrection, nor at Camp Benton. He altered it so as to provide that it should not affect any contracts in existence at those posts, or any other posts where contracts now existed. He also made the contract more stringent in reference to the loss of cattle by requiring the contractor to bring evidence that he had taken proper precaution against loss.

Question. What were the other bids?

Answer. There were no other bids which came up to my advertisement at all. This was the lowest bid which was put in. There were several other bids, but they are all sent to Washington. I have, however, a book which shows them all. My advertisement was for proposals to furnish the whole western department, but several bids were put in for supplying three or four posts only.

Question. At lower rates?

Answer. The bids were for supplying certain posts for six months at a lower rate.

Question. Then the bids for a partial supply, that is, for certain posts and for different periods of time, were at lower prices?

Answer. Yes, sir; some of them.

Question. Do you think the army could have been supplied with beef at lower rates if the advertisement had called for proposals for less time than one year, and for separate portions of the western department?

Answer. I do not believe the army could be supplied by anybody as cheaply as it will be under this contract if it is carried out.

Question. Has the army in and around this city been supplied under that contract?

Answer. No, sir. There are contracts entered into before this one. One party has a contract for supplying the army in St. Louis and vicinity, another for the St. Louis arsenal, and another for Jefferson Barracks.

Question. How long did you advertise for proposals for furnishing the whole western department?

Answer. Five or six days.

Question. Is not that rather a short time to advertise for so extensive a contract?

Answer. Yes, sir.

Question. Did you propose to have it advertised longer?

Answer. No, sir.

Question. Were you directed by General Frémont to publish it for a longer time?

Answer. No, sir; I was directed by him to publish it for the usual time. It appears that in some way it had become pretty well known that such a contract was to be made. Before I had the advertisement in the newspapers I heard outside that such a contract was to be made.

Question. What was the date of this advertisement?

Answer. I think it was about the middle of September.

Question. Was there a stipulation in the contract that the contractor should have the hides and tallow for slaughtering the animals?

Answer. Yes, sir; for driving, feeding, and slaughtering.

Question. Where were the cattle to be delivered?

Answer. At such points as they might be directed by the government.

Question. Then what has the driving and feeding of the cattle to do with the matter?

Answer. The contractor has to drive the cattle along with the army, and to feed them until they were slaughtered. They were to be received by and become the property of the government when they were

delivered, but the contractor was obliged to drive the cattle with the army at his own expense until they were killed. It is only in that respect that there is any driving and feeding.

Question. Then if they did not deliver them any faster than they were wanted there would be no feeding?

Answer. There would not be. The commissary directs them to deliver so many cattle at a certain post, and then the contractor has to sustain the cattle until they are slaughtered. Under the ordinary form of contract the person who furnishes beef for the army would not receive any pay until the end of the month, and one reason of taking this contract so cheap was that the contractor was to receive his pay when he turned over the cattle to the government instead of having to wait until the end of the month.

Question. Have the troops in St. Louis been supplied with beef by any parties other than the regular contractor?

Answer. Not that I am aware of. I have, however, nothing to do with that.

ST. LOUIS, *October 21, 1861.*

PETER WILES, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I have been for many years in the business of buying and selling horses and mules on commission. I keep a sale-stable exclusively.

Question. Have you had any contract for furnishing horses and mules to the government either directly or through other parties?

Answer. I have bought a great many horses for other persons. I tried myself to get in, but other persons got the start of me. I am now, however, furnishing a few directly to the quartermaster.

Question. What do you mean by saying you tried to get in?

Answer. I tried to get a contract, but it seemed that the contracts were all let out. McKinstry and I were acquainted, and he frequently bought small lots of horses at the stable. I had been buying horses for the government for years, more or less. When the advertisement for the first lot of horses was about to be published I called upon Major McKinstry, but he would tell me nothing at all about it. I sent in word that I wanted to see him a few moments. He told me to look into the papers and I would find what I wanted. I told him my notion was to go up into the country and engage a lot of stock, as I was acquainted with all the large mule-raisers in the country. He then advertised to have the mules and horses, some seven hundred of them, furnished in eight days after the bids were opened—a length of time hardly sufficient to allow a man to go into the country for the animals. However, I went into the country immediately, and pur-

chased a lot of mules and brought them into the city. That was on the same day that the bids were to be opened. I did not bid at all. McKinstry told me that several bids were put in, but that he had got no security with either of them, and that if the bidders did not come up that evening and file their security he would purchase my mules. I knew that no man could get the stock in the length of time allowed. I then asked him if he would buy my stock if the bidders did not furnish the stock in the eight days. He said he would, positively. I told him if that was the case I would keep my stock, for I was certain that no one could fill the contract. When the eight days had passed I went to him again, and found that he had got but two or three hundred animals. He talked very short to me; told me the contract was let out and signed, and that he had nothing to do with the matter. Of course I left him, and did not return to him any more. After that I bought a good many horses for persons who professed to have contracts. I bought them and charged a commission of two and a half per cent. for buying. Kennedy, who was in Frémont's employ, came to me one day in a great hurry and said that General Frémont sent for him and wished to know of some man in whom he could put dependence in buying stock upon commissions, and that he had referred General Frémont to me. He was to pay five per cent. commissions. I went to see Frémont three different days, but did not see him. I then sent up a letter stating that I wanted to see him a moment, but I did not succeed in seeing him. J. C. Woods, the private secretary of General Frémont, made an arrangement with me by which I was to buy the horses and receive a commission of five per cent., the government to have the horses at what I paid for them, and they were to pay for them the next day after I brought them in.

Question. At what time was this?

Answer. It was about six weeks ago—directly after Frémont came here. I told Woods I would like to have a writing of some description to show that I was the government agent, if I was such, and that I did not like to advertise unless I had authority. Woods said that they were all very busy there just then, and had no time to draw up a writing, but that it would be all right as it was. One Captain Schwartz was standing by, and Woods turned around and said to me, "Deliver to this Captain Schwartz what stock he wants." And then, in reference to another man, he said to me, "Deliver him the horses which he wants." There were some two hundred horses wanted between them. They appeared to be in a great hurry, and went with me that night, and I delivered to Captain Schwartz what horses he wanted immediately. After they were inspected he put them into my stalls.

Question. Did he brand them?

Answer. No, sir. He inspected and received them. By the time we were through a Dutch captain came up in a terrible hurry, and swore that he would take those horses that Captain Schwartz had got. He said he must have them. I told him it would be all right with the consent of Captain Schwartz. I then took him and all his men in and treated them. Then I told the Dutch captain to wait and per-

haps I could give him horses the next day. I then commenced to inspect for him what horses I had left in the stable—some twenty-three head.

Question. Were those horses which you had on hand and which belonged to the government?

Answer. They were horses which I had bought for the government on commission, from different persons who brought them to my stable for sale. I bought them as low as I could. Those twenty-three horses the captain took that night, after inspection, to the arsenal, but without being branded. The next day he came back with all his men, and I delivered him twenty more horses, and he took them off the same as the others—without branding them. His quartermaster was with him. He returned again after dinner, the evening of the same day, and I gave him twenty more, which made sixty-three in all. He took those as before—without branding. The next day the men I had bought these horses of wanted their pay, and I went to General Frémont's headquarters for the money. I ascertained that Mr. Woods was not well that day, and consequently I could not see him.

Question. Did you see General Frémont?

Answer. I never saw General Frémont in my life to speak to him. Not being able to see Woods, I sent a note up to General Frémont, saying that I wanted to see him one moment on particular business. I waited there more than half a day, and, receiving no answer, I went away without seeing him. The next day I went again to get the money.

Question. Did you see Woods that day?

Answer. I stayed there until one or two o'clock. At that time Captain Schwartz came in. I told him I was glad to see him, for I had not got his receipt for the twenty-three horses. He said he was there for an order to take the horses from the stable. In a very few moments there came down an order for Captain Schwartz, stating, in substance, that if he had not yet taken the horses from my stable he should not take them, and that if he had he should return them to me. That was three days after the order was given. Captain Schwartz said he was very sorry, because he needed the horses. I told him I did not understand the matter, and that I must know something about it. I waited for an hour longer, when Woods came in. "Oh," said he, "Colonel Blair has come in, and he says you are a rank secessionist; and if so, we cannot have any dealings with you." Blair had just come from Washington city that day, and Ellard, before he went up stairs with Blair, introduced him to several gentlemen around there. Ellard said to me that I, by buying upon commission, was playing the devil with those men who were buying horses and stock. I told him it was not a matter of my seeking; that I was sent for and was offered the job.

Question. Had you, previously to this, furnished any evidence of your loyalty?

Answer. I had not been required to do so, for everybody that knew me knew that I was a loyal man. I told Woods that was not the case, let who would say it. He said, "Prove what you say to be true,

and that is all I want." I then went to several gentlemen and told them I was in a bad fix ; that I had over \$10,000 worth of horses bought in good faith, and that the men of whom I bought wanted their money. Judge Krum said my position was so well known that there could be no difficulty about the matter, and he wrote a letter to General Frémont, which was signed by himself and a number of other persons. The following is a copy of the letter :

" To General FRÉMONT :

" We have known Mr. Peter Wiles well for many years, and take pleasure in bearing witness to his honesty and good character.

" We have often heard him speak in strong terms against secession and in condemnation of the conduct of those who are engaged in waging war against the government of the United States. We have no hesitation in expressing our belief that he is a sincere Union man. Mr. Wiles mingles but little in public affairs, and probably very few of his personal friends even have heard him say much on the subject of our present national and State difficulties.

" Respectfully,

" JOHN M. KRUM.

" JOHN W. THORNBURGH.

" P. H. LADUE.

" J. W. BOOTH & SON.

" JOHN McDONALD,

" *Major American Zouave Regiment.*

" ROBT. BAKER.

" THOS. J. KENNEDY.

" WM. TRUESDAIL.

" ISAAC H. STURGEON.

" JOSEPH ROWE.

" AUGUST 17, 1861.

" I have known Mr. Wiles for ten years, and have transacted business with him. He has always borne an irreproachable character, and while I have never conversed with him on the subject of our national difficulties, have never doubted but that he was a true Union man.

" CHESTER HARDING, JR."

I handed that paper to Woods, and in a second he had me reinstated ; but he said they had no money. I said " I am very sorry for that. I have 20 men after me for money. I made no arrangement for raising money for the purpose of paying these men of whom I bought horses, as I bought them on commission for the government. I told you at the start that I wanted my agreement with you put in black and white, but you told me you had not time, and that it would be all right any way. There are a great many men waiting at my stable, and I am afraid to go back. What shall I do about it?" He said he did not know, for he had no money. I then remarked that I had saved for the government, in the purchase of that small lot of 98

horses, \$1,600, under the government price, and that I thought, if I had personally to raise the money to pay for them, he ought to allow me the government price, which was allowed to everybody else. Says he "No, sir; you bought them on commission." So I took my hat and went away to help myself out of the scrape. I had to go and raise the money at a sacrifice to pay these men, for I could never live around there with these men unpaid. Upon that I quit buying horses.

Question. Have you had any further experience in buying horses for the government?

Answer. No, sir. I bought horses afterwards for Ellard, and for other men, upon commission.

Question. Did you hear Ellard say anything about this matter?

Answer. He remarked before that, and also afterwards, that he was the man that was going to buy the horses.

Question. Before you were told that you were disloyal had Ellard had an interview with General Frémont?

Answer. He was at headquarters every day, I believe.

Question. I understood you to say that he was at headquarters when you were told that?

Answer. He was there that morning—the same day that Colonel Blair and himself were admitted up stairs to General Frémont's room. Colonel Blair remarked that I was a rank secessionist. That very time, Ellard, before he went up stairs, met me and remarked, "You are playing hell with us horse traders." "In what respect," I asked. He replied, "This buying horses upon commission." I told him it was not my own seeking, but that General Frémont had sent for me. He said he would put a stop to all this matter, and that he would buy all the horses himself.

Question. When you went to headquarters you found him there?

Answer. I found him at headquarters when he told me this, and that was before he went up stairs with Colonel Blair.

Question. Did he, after he told you he would stop this buying horses upon commission, and before you were informed that you were disloyal, have an interview with General Frémont?

Answer. I cannot say.

Question. How long, after he told you he would put a stop to this matter, were you informed by Woods that you were reported as disloyal?

Answer. I cannot say how long it was, but it was that same day in the afternoon. After I had been there a while, Woods said I had better remain, and consequently I staid, without my dinner, until two or three o'clock, and at last Woods appeared to wake up, and said that Blair had said so and so, and that he could not deal with me.

Question. Did you ever inquire of Colonel Blair whether or not that was true?

Answer. No, sir.

Question. Were you ever paid for the horses you delivered?

Answer. I got a voucher for the horses finally by knocking off a little. Colonel McKinstry said he would not recognize any contract from headquarters, and consequently I did not buy any more stock, as I knew I should have trouble if I did.

Question. With whom did you trade after that?

Answer. I bought horses for Buckmaster, January, and Captain Phillips.

Question. Upon what terms?

Answer. Upon a commission of two and a half per cent. Buying them as low as I could, they cost about \$98 50 a head.

Question. What was the average price the horses stood in to those contractors?

Answer. About \$100 a head—that is, those that I bought for them.

Question. How many?

Answer. Five or six hundred.

Question. Were they cavalry or artillery horses?

Answer. They were cavalry horses generally. For artillery horses I got a little more.

Question. How much more?

Answer. I got from \$105 to \$115 a head.

Question. What could the government have saved upon each horse, had they been bought by you upon commission for the government?

Answer. I think I could have saved at least \$100,000 for the government in buying the number of horses I expected I should have to buy, which was pretty much all the stock they should need.

Question. Would you not have saved the government on each horse pretty much the difference between \$100 and the price they actually paid?

Answer. Yes, sir; about that.

Question. Is it not your opinion, then, from a knowledge of the facts, that the government could have procured, through proper agencies, all the horses and mules they wanted at a price not exceeding \$105?

Answer. Yes, sir.

Question. Would not that have been the result if the arrangement which was originally made with you had been carried out?

Answer. Yes, sir; I am confident I could have bought the horses at that price. The reason horses and mules have cost the government so much is, that they do not deal with first parties, but through contractors and sub-contractors. The first contractor under the government gets \$119 a head for the animals; another contractor under him furnishes them to the first contractor at a much less price; and then, not unfrequently, a third sub-contractor furnishes them to the second contractor at a still reduced rate; and the consequence is, that as each contractor must make a profit the government gets a very poor animal for the money it pays.

Question. Then there were three or four hands through which the animals had to pass from the farmer before they reached the government, each person charging a profit?

Answer. Yes, sir. A day or two ago a man who had a contract for furnishing mules to the government came to me, and I agreed to get him four or five hundred at \$105 a head, in gold. I immediately engaged 250 mules, to be delivered immediately. The man whom they were for came to me the next day, and said he had never given any authority to any one to engage mules for him for \$105 a head;

that he had been paying only \$100. I told him I knew him to be a gentleman, and a man who would do what was right; that I had entered into the agreement with his agent, knowing that he would do what his agent had agreed to. He said he had authorized no such price to be paid. I then went directly to Major Allen, the present quartermaster, and told him all the circumstances of my having engaged those mules, and he immediately gave me a contract for the mules I wanted to put in to the government at \$115 a head.

Question. Who was the man who came to you and engaged the mules at \$105 a head?

Answer. I do not remember his name. I think it was Beaty, or something like it. I understand that he is the private secretary of Major Allen.

Question. Did he represent that he had a contract with the government for furnishing mules?

Answer. He was an agent for Mr. January, who had told him to make an arrangement for him. January had a contract with the government.

Question. And this agent of January was private secretary to Major Allen?

Answer. I learned this morning that he was.

Question. When was this transaction?

Answer. On Friday or Saturday last.

Question. Who came to you and said that this man Beaty, as you call him, had no authority to make any such agreement with you?

Answer. January came to me and repudiated the contract which Beaty had made. Beaty was introduced to me by a friend of mine, who told me he was a high-minded man, to whom the government owed much. He reaffirmed that January had told him to contract for him.

Question. What did you do after that?

Answer. I went directly to Quartermaster Allen, but I found him sick.

Question. Did you go to his private room?

Answer. I did.

Question. Did you find him confined to his bed?

Answer. No, sir; he was walking around his room.

Question. What arrangement did you make with him?

Answer. I told him of the manner in which I had purchased the mules; of the misunderstanding; and that I wished to sell them directly to him.

Question. Did you tell him with whom you had made the contract?

Answer. I did not mention any names.

Question. Did he agree to take them?

Answer. He did.

Question. At what price?

Answer. \$115 a head.

Question. How did the lot of stock which you bought for the government upon commission compare with the lot which has been furnished under contract?

Answer. They were equally as good.

Question. Have you furnished any other mules to the government?

Answer. No, sir; I have never had a chance to do so. I went down last week, before I saw the quartermaster, to sell the same mules to Captain Bradshaw. He offered me \$108, and I told him that was what I paid for them myself, and therefore refused to take it. He said he would think of the matter, and come back in the morning. Mr. Morse had some mules also, and we went down the next morning to Captain Bradshaw, and he said Major Allen did not want to buy any more stock that day. He said there were enough outsiders who would buy them. Morse inquired who they were. He named Peay and others. Morse said Peay could not buy his horses any way. We concluded that if we could not sell them directly to the government, we would keep and feed them. Then we went up to Major Allen, and sold the mules to him.

Question. When you were offered \$108 for the mules, how was it that you said that was what they cost you, when you before stated that you were to furnish them to the contractors for \$105 each?

Answer. I was to get coin for them from those men, and the difference between coin and currency would pay me a small profit.

ST. LOUIS, *October 21, 1861.*

OLIVER D. FILLEY, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. At St. Louis.

Question. What official position have you at any time occupied in St. Louis?

Answer. For three years previous to the middle of April last I was mayor of this city.

Question. Be good enough to state your knowledge of any transactions connected with government contracts.

Answer. My personal knowledge is very limited. I have heard a great many rumors of frauds having been committed.

Question. Do you know anything in regard to contracts for furnishing materials in your line of business, which is tin and tin-plated ware business?

Answer. Soon after our war troubles commenced Major McKinstry applied to me to furnish camp kettles and mess pans for him. I did so, in small lots. I charged the government 12½ cents per pound for camp kettles. I furnished them in lots as they were ordered, at, as I thought, a very fair price as between me and the government. After a while larger orders were given, I suppose, to the firm of Child, Pratt & Fox, and my information is that they charged the government some 65 cents a piece. The price at which I sold them per pound would bring them at from 35 to 40 cents each.

Question. Are Child, Pratt & Fox engaged in the tin manufacturing business?

Answer. No, sir.

Question. Was any dissatisfaction expressed as to the character of your work?

Answer. No, sir.

Question. Then what reason was there for the government buying them at this enhanced price?

Answer. I do not know.

Question. What do you suppose was the reason?

Answer. I cannot answer that.

Question. Was the interest of the government enhanced by that course?

Answer. I think not.

Question. What is the per cent. of difference between your price and the price Child, Pratt & Fox charged?

Answer. About 50 per cent.

Question. Did you ask for any explanation of the matter from Major McKinstry?

Answer. No, sir.

Question. Do you know of any like transactions with any other parties?

Answer. In my opinion, the government has been wronged in its dealings with that house, whether through the officers of the government or through the clerks in the quartermaster's department I cannot say. My impression is that that house has been enabled to get a great many orders to fill, but of that I would not complain if they furnished the articles at a fair profit. Fox has a brother-in-law in the quartermaster's department, and I suppose that whenever a requisition for anything has been made upon the department it has been turned over to be filled by that house. If that house has furnished the goods at a fair rate, nobody would complain; certainly I would not.

Question. Do you know of any particular reason why they should furnish goods to the government at a higher price than anybody else charges?

Answer. I do not.

Question. Do you know anything about the shoes and blankets which have been furnished to the quartermaster's department for the use of the troops, and of whom such shoes and blankets were purchased?

Answer. I suppose the shoes and blankets came through the same house which furnished most of the other articles for the quartermaster's department. Whenever the government has wanted them, the requisition has been given to Fox, and he has gone out into the city and bought, and turned them over to the government.

Question. Do you know anything about the quality of the shoes and blankets that house furnished?

Answer. I saw some of the shoes which I have reason to believe they furnished. Mr. Witzig went down to Iron Mountain some four or six weeks ago, and he told me there was considerable complaint made by Lieut. Colonel Bland in reference to the quality of the shoes and blankets which the quartermaster had furnished for the men;

and Bland requested Witzig to bring a pair of the shoes to St. Louis and test them. He got a pair of the shoes and brought them here, and when he ripped open the sole he found that there was a piece of a shingle put in for a part of the sole. I saw the shoe, and I went with Witzig immediately to the quartermaster's office and saw Major McKinstry, and gave him my opinion very plainly about them.

Question. State what you told him.

Answer. I cannot exactly. I was probably somewhat in a passion at the time. I told him it was a burning shame for men who had turned out for the defence of the government, and for our defence, to be treated so, and I wanted to know where the shoes came from, what they cost, and everything else about them. We went to the requisition book, and ascertained that the shoes came from this house of Child, Pratt & Fox. We then made an effort to ascertain the price. McKinstry first told a clerk to hunt up the bill. The clerk went at it; but very soon, and before he had found it, McKinstry came along and ordered him to some other duty. We were there three-quarters of an hour, and perhaps more.

Question. What did McKinstry tell you at that time? Did he make any complaint about you meddling with the matter?

Answer. He made no complaint to me. He said at first that he did not know who furnished the shoes; he did not know but that they had been furnished by Sam. Filley. Sam. Filley had bought goods for him for about a week, when they had more to do than they could get along with. He made certain purchases for the department, for which, I have every reason to believe, the government derived great benefit. He furnished his own money, and bought at the lowest market price. Fox was associated at one time with this Filley on a relief committee for distributing contributions which were made for the troops, and I suppose that from the transactions which transpired during that time Fox got the idea that money could be made in connexion with furnishing government supplies. Fox and Sam. Filley were appointed a committee of safety to distribute funds which had been sent from the east to clothe our volunteers, and they unquestionably performed that duty well.

Question. Did McKinstry say anything in particular?

Answer. He was, perhaps, no more abrupt in his conversation than one might expect under the circumstances.

Question. Did you make any reply to any abrupt observation he made about meddling with this business?

Answer. I do not recollect; I know he was rather abrupt on the occasion, but I never lay those things up.

Question. Did you have an interview with Fox?

Answer. Fox was in the office at the time, or came there while we were there, and gave him to understand what I thought of such a transaction. I afterwards had quite a long conversation with him at his store, and I told him, as I had told McKinstry, that the men who were willing to go out and fight our battles ought not to be imposed upon; that I was well aware that he had been placed under peculiar circumstances, and that it required uncommon virtue to withstand the temptations under which he had been placed—that of being permitted

to buy for the government, and charge them his own prices; that he was a young man, and that even older men might have been misled. Witzig and I then made an effort to ascertain what price Fox had paid for the goods, and the price at which they had been sold to the government, but we did not succeed. I saw Fox's books, and I noticed a number of instances where camp kettles had been charged to the government.

Question. At what price were they charged?

Answer. At sixty-five cents each.

Question. The same that you could have sold for forty cents?

Answer. Yes, sir.

Question. Did you make any observation to Fox in regard to that?

Answer. I believe I did.

Question. What reply did he make?

Answer. I understood him to say that he calculated to get a good round profit. I advised Mr. Child, whom I met two weeks ago in New York, to write to his house here to withdraw every bill they had rendered to the quartermaster's department and render an honest bill.

Question. What reply did Child make?

Answer. He thought he would write, but the next day he started from New York and came to St. Louis, and he has been here for the last few days. Before this occurred I had had repeated conversations with Samuel Filley in regard to these transactions, and I advised him to go to a Mr. Clark, who had charge of the manufacturing department here, which was making up clothing for the government, and who had some three or four hundred woman employed on that work, and request him to retain a sample of every piece of cloth which should come into his shops. Filley did so, I believe. The cloth being worked up there was bought of Child, Pratt & Fox.

Question. Did Child, Pratt & Fox pay those women?

Answer. No, sir; they furnished the cloth, and the government paid for making it up. Our object was to prepare, as thoroughly as possible, for any investigation which might thereafter be made.

Question. Do you understand that Clark did that?

Answer. Samuel Filley can better inform you upon that point. My opinion is that he did.

Question. Have you ever seen any of the blankets which were furnished for the troops?

Answer. I have seen some of them.

Question. Are they like this one which was furnished to the committee by Witzig?

Answer. Yes, sir.

Question. In your interview with McKinstry did you have any conversation in regard to the interests of the government?

Answer. I told him upon that occasion that the shoe transaction looked to me as though the interest of the government was entirely lost sight of.

Question. What reply did he make?

Answer. I do not recollect. I was somewhat excited about the matter, and do not distinctly recollect what he said.

Question. What excited you?

Answer. The contemplation of the frauds which were being practiced on the government, and on the soldiers. I had been satisfied for some time that extensive frauds were being committed, and that McKinstry was not using due diligence to prevent them.

Question. Did he give any assurances that he would be more diligent in future?

Answer. No, sir.

Question. Did you get any satisfaction from him?

Answer. None at all. I wanted to know the cost of those shoes.

Question. When you asked him in relation to the cost of those shoes, did he seem anxious to furnish you that information, in order that the fraud might be exposed?

Answer. No, sir; his reply was, that if I would wait two minutes I should have what I wanted. I told him I would wait any length of time. He then told his clerk to look it up, but within two minutes thereafter he ordered that clerk to some other duty.

Question. Did you say anything more?

Answer. No, sir; I left, satisfied that he did not mean to give me the information.

Question. Do you know of any other transactions of that kind of your own knowledge?

Answer. I do not.

ST. LOUIS, *October 21, 1861.*

HON. FRANK BLAIR, jr., being duly sworn, was examined as follows:

Question. Do you remember the day on which you returned from Washington to St. Louis?

Answer. I do not remember the exact date, but I remember the day very well.

Question. Were you at General Frémont's headquarters on that day?

Answer. I was.

Question. Did you notice Mr. Peter Wiles there?

Answer. My attention was particularly directed to him.

Question. Did you know at the time that he had a contract with the government in relation to the purchase of horses?

Answer. My attention was called to him, as I have already remarked, by some one who stated that he had a contract with the government for supplying horses.

Question. Did you make any representation that day to General Frémont, or to any of his officials, touching the loyalty of Wiles?

Answer. No, sir.

Question. Did you make any efforts on that occasion, either with General Frémont or his officials, to interfere at all with any arrangement Wiles had in relation to horses?

Answer. None whatever.

Question. Had you any interest there, directly or indirectly, in regard to the manner in which horses were purchased, or in relation to the persons by whom they were purchased?

Answer. I had no such interest, and never had any interest in the matter except that I was extremely anxious that all the purchases made by the government, whether of horses or anything else, should be made, as far as possible, from loyal men. I had no personal interest.

Question. Were you here for the purpose of influencing or interfering in any way with contracts of any kind?

Answer. No, sir.

Question. Did you at that time in any respect interfere with or seek to influence action in reference to contracts?

Answer. Not at all.

Question. Did you at any other time interfere at General Frémont's headquarters, or at any other place, with any arrangements entered into with this Peter Wiles?

Answer. No, sir; never. I will state that, among other things, my attention was called to this Wiles, who was sitting in the basement, as I passed through going to see General Frémont. It was stated to me that he had a contract with the government for the purchase of horses, and that he was a secessionist; and I thought it very likely that he was a secessionist. I had an unfavorable impression of him, though my acquaintance with him had not been extensive. And when the statement was made that he was a secessionist, I believed it, and I was very sorry to hear that he had a contract for supplying horses. I supposed that his contract was similar in all respects to other contracts of which I had heard—that is to say, that the government had set a price which would be paid by the government for the horses upon their passing inspection; and that anybody who purchased horses which would pass inspection would get their price. I supposed that Wiles was acting under that arrangement. But I have no recollection of making any statement to anybody. I might have done so casually, as illustrating the fact that secessionists were getting jobs which they ought not to have got; and I may have mentioned his name, but I have no recollection of doing so.

Question. Did you mention his name in that way that day?

Answer. I think I did not, because I went there about matters which I considered of more importance than the matter of contracts. I went there to see General Frémont for the first time, and I had a great deal to say to him about public business, and about matters which I thought he should know, as I had just come from the east. I did not go there to talk about contracts, and did not talk to him about them.

Question. Who were the persons present when your attention was called to Wiles? Were they persons who had contracts with the government for buying horses?

Answer. I do not remember who were there. I think Ellard was there.

Question. Did he call your attention to the fact of Wills being a secessionist?

Answer. I do not recollect.

Question. Did you know that he was a contractor.

Answer. I did not. I knew he had purchased horses which he put in to the government.

As the question has been asked me by the committee whether I interfered with contracts, I would like to state that when I learned—which was soon after my return from Washington—that General Frémont was ordering important contracts to be given out to this, that, and the other person, without bids being made, I was frequently called upon by persons, residents of this city, friends and acquaintances, to recommend them, and I did so, generally, when I supposed they were proper persons to have contracts. I wrote some letters of recommendation to Major McKinstry, and to other government officials here. When it was ascertained that the great bulk of the contracts were being ordered at headquarters by General Frémont, it became a matter of complaint among the prominent and influential men here that they did not get all that they were entitled to have, and that their claims did not have a fair consideration, and I was urged very strongly to go to General Frémont and make a representation to him about the matter. In one or two instances, as for instance in the case of John Howe, the former mayor of this city, who had done an immense business in his line every year, and whose business had been utterly destroyed by this rebellion, and who had a large amount of materials on hand, I thought I owed it to him to go to General Frémont and inform him that Mr. Howe could do these things as well as anybody else, and that he had certain claims to be considered which should not be overlooked. I did so; and General Frémont ordered a contract to be given to him. The contract was that he should do the work and deliver the goods here at the price at which they were delivered at the depots here. Another reason which was urged upon me why I should intercede for Howe, was that Major McKinstry and he were not upon good terms. Howe had denounced McKinstry as not being a loyal man, and that created such a bad feeling between him and McKinstry that McKinstry would not give him any contract whatever.

Pretty much a similar case occurred with Dr. John O. F. Farran, an old citizen of St. Louis. There was some unpleasant feeling between him and Mr. McKinstry, and on that account he asked me to go to Frémont and request a contract for him to furnish 500 horses. I went to request the order, and General Frémont gave it instantly without any hesitation whatever. Personal kind feelings towards individuals induced me to speak in favor of some persons, but the great controlling motive with me was that the business of the Union people of this city had been almost destroyed by this rebellion, and that they had for months and months—almost ever since last December—no business whatever. The citizens here had, in a financial point of view, to a very great extent, been ruined. And I saw men being brought in here from New York, and from California, and from distant parts of the country, where the effects of this rebellion were scarcely felt, for the purpose of being crammed with contracts, and therefore I considered it my duty, as a representative of this district, to step forward and represent these facts to General Frémont, to

Major McKinstry, and to all others who had authority to make contracts here, and to state to them that this man and that man, whom I knew to be Union men, deserved the same and even greater consideration at the hands of the government than these men who were imported from abroad. Such were the grounds of my interference.

Question. Did you, directly or indirectly, receive any benefit from any of these contracts?

Answer. I never did under any circumstances; and I do not think the man lives that will say that I have.

St. LOUIS, *October 21, 1861.*

JOHN H. MORSE, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. I reside in Jefferson county, Mo.

Question. What is your business?

Answer. That is a difficult question to answer. I own a grist-mill, a saw-mill, a farm, and a store.

Question. Have you had any contracts with the government; if so, state what they are.

Answer. I have a contract which is running now, but have had none until the present time.

Question. When did you enter into the contract which you have now?

Answer. I think it was on the 16th or 17th of this month. It was one day last week.

Question. What is the nature of that contract?

Answer. It is to furnish some 191 mules, more or less. I had on hand about that number, but I did not know exactly how many. I proposed to Major Allen, present quartermaster here, to furnish the government with 191 mules, more or less. The number may run up to 200, and may fall below 191.

Question. Was that contract made upon advertisement for proposals?

Answer. No, sir; there was no bidding. It was made in Major Allen's room, in presence of General Strong. I sent in a proposition to sell the government the mules.

Question. What price were you to receive for them?

Answer. He was to give me \$115 a head. I have here a voucher for 92 head, which we have furnished, and there the inspection of my mules was stopped.

Question. Was anything said about the kind of money you were to receive in payment?

Answer. I was to have the government security of funds whenever the bill is paid.

Question. Have you, prior to this contract, furnished the government with any supplies, either directly or indirectly?

Answer. Yes, sir; indirectly.

Question. Through whom?

Answer. The last of June or the first of July an advertisement appeared in the papers, signed by Major McKinstry, calling for proposals to furnish the government with 700 or 750 head of horses and mules. At that time I was coming up the Iron Mountain railroad with some refugees who had been driven out of Butler, Shannon, and Ripley counties by the rebels. They wanted my assistance to get men to go back with them to protect their stock. When I got up here to the arsenal, I took up a paper and saw the advertisement calling for so many head of stock to be furnished within ten days after the letting of the contract. I think that is the only advertisement which has appeared in the papers, either before or since, calling for proposals for horses and mules. At all events, I have watched the papers closely for such advertisements, and have seen none. A lawyer by the name of Simmons was also at the arsenal, and he told me where to go to see Major McKinstry. The next morning, the day the bids were to be all in, I went up to Major McKinstry's office. The bids were to be in by 12 o'clock m., and I went up about nine or ten o'clock. Mayor Filley happened in at the time. I told Major McKinstry that I, as well as my neighbors, had a considerable number of mules, that there was danger of their being stolen from us, and to prevent it we wanted to turn them in to the government. He immediately asked me if I was a bidder under the advertisement. I told him I was not, that I had come to St. Louis on other business; that I had come with other men from the counties I have mentioned for assistance; that I had seen the advertisement, and had come to his office to tell him what we wanted to do with our mules, as we had no time to bid, and could not think of bidding to furnish 700 head of stock in ten days; that it was a thing I could not do. He told me if I was not a bidder, I must wait until the bids were all in and opened, and that when they were opened, if they were not satisfactory, if the parties did not bid low enough, or failed to furnish the requisite security, he would go into the market himself, and would buy my mules. He told me to call in the next day at ten o'clock. I told him, by the way, that we could not bid, but that we were willing to sell our stock to the government for what they were paying. I told him that, as Union men, we ought to have a preference over disunionists. He said he didn't care a damn of whom he bought the stock, so that the stock was furnished to the government, and the contract fulfilled. I left him then, and returned the next day. The bids had been opened, and he showed them to me. The lowest bid was by some one from Cincinnati. He afterwards declared that the lowest bid was made by parties here, or at least he gave out the contract to parties in this city, whether in fact to the lowest bidder or not I cannot say. He showed me the contract price paid for mules in Washington city, which was \$127 a head for horses and mules, and said he was advised that he must not pay here more than they were paying there. He told me that certain parties, naming them, would have the contract, provided they filed their bonds, and that he was waiting to see whether they did it; that if they did, the contract was made, and if not, he would go into the market himself next morning and take my stock. I suppose the parties furnished the security and got the contract, for it was afterwards posted on the

door that Bowen & Jones had the contract for furnishing mules and horses. I then went to those men, and the most I could get offered for my mules was from seventy-five to ninety dollars a head. They were buying mules in the street, from drays and wagons, of persons who had no use for them. The contract was for mules of the height of fourteen hands and upwards, and I told McKinstry my mules were fifteen and sixteen hands high, and upwards; that I had paid for some of them as high as \$300 a pair; that for one of them I had paid \$175, and that I could not stand it to sell my mules to those sub-contractors for seventy-five or eighty dollars a head, when I knew that they were getting \$119 for them. Upon that I went away and abandoned the matter.

Question. Did you furnish any mules subsequent to that?

Answer. Subsequently, and after that contract was filled, I came to town and went to McKinstry again, and inquired of him whether there would be any more contracts let for furnishing horses and mules. He said there would not be; that the government were not in need of any more. I told him I wanted to turn mine in to the government, as there was danger of their being stolen. I found out afterwards that horses and mules were being sold to the government here all the time, and that they were branded "U S.," though I had not seen any advertisement. I knew, too, that they were getting the same price that the parties under the first contract got, \$119 a head. I went to McKinstry to sell him my stock, and he would refer me to such a man and such a man.

Question. Who were they?

Answer. I think they were Thomson and Phillips. I told him I wanted to sell the stock directly to the government; that I wanted the contract prices; and that I claimed it as a right to do so. He replied, in a rough way, that he did not know anything about it; that he would have nothing to do with me. I subsequently went to Colonel Blair; stated the matter to him, and told him how we were situated. He knew who I was, and he drew up a letter recommending me to the notice of Major McKinstry, and expressing the hope that he would take my stock if it was consistent with the interests of the government to do so; and stating that it was due me that he should do so. I took the letter to Major McKinstry, and after opening it, he said he was too busy to attend to it at that time, and requested that I would call the next day. I went there the next day, and after remaining two or three hours I succeeded in calling his attention again to the letter. He took it up and wrote a line, referring me to General Frémont. The note was addressed to Colonel I. C. Woods, at headquarters. I went up there, and Colonel Woods opened the note, and read it. He said he could not see the general that day; that he was very busy; that he would refer the note to the general; and he asked me to call in the next day. I called the next day, and nothing had been done about it; and the matter was delayed and delayed day after day for three or four days. At last, Woods told me that General Frémont had nothing to do with the matter; that it was entirely in the hands of Major McKinstry, and that General Frémont could not give out a contract for mules, as that business belonged to Major McKinstry's department. I told him

that McKinstry would do nothing about it. He then said if I would call in at a certain time in the evening he would see the general about it, and try to make some arrangement by which I could sell the mules. I called, according to appointment, and found Palmer there, and Woods turned me over to him. I went to the Planters' House with him, and Palmer gave me a contract, in the name of Haskell, to furnish all the mules I could bring in. I told him I would get as many as I could. He agreed to give me \$119 a head for them. I have the document, but it is not with me now.

Question. Did Palmer put in Haskell's name?

Answer. Yes, sir. When I got the mules here I learned there was a misunderstanding; that Palmer did not know what Haskell was getting for the mules—so it was alleged—and that he could not pay me \$119 for them. Haskell asked me how many head of stock I had. I told him, and told him that before I got the stock the understanding was that I was to have so much for them. Palmer & Haskell then told me that in order to get me out of the difficulty, and as there had been a misunderstanding, they would extend the contract several days, that I might go on buying mules, and that they would give me \$119 a head for what stock I had of my own, and for what I bought \$108 a head.

Question. About what time was this?

Answer. It must have been in the early part of September. They did give me \$119 a head for ten head that belonged to me, and for that I had taken of my neighbors they gave me \$108 a head. I bought what stock my neighbors had, which they thought it would not be safe to keep.

Question. Who paid you for the mules?

Answer. Haskell paid me for them upon the inspection receipt being furnished. They got an order from the quartermaster for the inspection of the mules, and when I returned my inspection receipt they gave me a check upon the Merchants' Bank, which was paid in Missouri money.

Question. How many mules did you sell to Palmer & Haskell on behalf of your neighbors?

Answer. I think there were about sixty head. After that the rebel feeling got so warm in my neighborhood that I could remain there no longer, and therefore I left, my family remaining to take care of themselves.

Question. Where is your residence?

Answer. About forty-six miles below here. I had been too prominently in favor of the Union cause to allow of my remaining.

Question. Did you furnish any of the contractors with the government with any other mules?

Answer. After delivering that lot of mules I found that I could not remain at home any longer, and I must do something. These men had received letters from Rolla urging them to come out there and buy mules of the refugees.

Question. Did they advise you to go there and buy?

Answer. They turned the letters over to me and guaranteed that if I would go into that country and buy mules they should be inspected

and received at the military post at Rolla. I went out there and saw Colonel Wyman, who had command of the post, and also Captain Small, the quartermaster. I found I could buy any number of mules there; I could have bought three or four hundred of the people who had been driven in there from the surrounding counties, some of which mules were then working for the government on hire. Colonel Wyman said the mules were needed there, but Quartermaster Small said he had as many mules as he wanted to be bothered with and that he would not accept any mules unless he had a positive order from McKinstry to do so. That brought me back to St. Louis again, and I met with a great deal of delay at headquarters, and at McKinstry's office, in getting an order to have the mules inspected at Rolla. McKinstry finally gave me an order on Captain Small to have inspected all the mules that might be needed at that post. That order was not positive. Small said he did not know how many might be needed, and that he would not inspect upon such an order. I had bought a good many mules out there, and I finally had to drive them overland to this city. I brought them here and sold 179 to Haskell.

Question. At what price?

Answer. At \$108. So far as the price was concerned the contract was fulfilled, but I have not got my pay yet.

Question. What have you got to show for them?

Answer. They accepted my paper to about one-third of the amount; they paid a part of it in depreciated western bank paper, and gave me a voucher for \$8,000, and shaved me upon their own voucher one per cent. They promised in the first place that they would pay me in current funds, but when I come to sell them the mules they could not do it. They could not sell the vouchers they held without submitting to a shave, I suppose. I had to turn round and give my individual notes to the parties of whom I had purchased the mules, and these men wrote a guarantee of payment across them. That is what I mean by their accepting my paper. I suppose I am still held on those notes if they are not paid by them.

Question. Who signed the name to the guarantee?

Answer. Haskell's clerk, H. C. Worth.

Question. Whose name did he sign?

Answer. Haskell's. When Haskell joined General Frémont's staff he transferred his whole contract to H. C. Worth.

Question. What were Worth's relations to Haskell at the time?

Answer. He has been his clerk, and is still, I think. He is a man from Nantucket, Massachusetts. They still owe me \$329.

Question. Did you ever experience any difficulty in getting the mules inspected?

Answer. We had a great deal of difficulty in consequence of McKinstry not recognizing the contract, and we had to get orders from headquarters.

Question. Did you have to pay anything in order to get the mules inspected?

Answer. No, sir.

Question. Do you know anything more about these horse and mule contracts beyond what you have stated?

Answer. I know so much that I wish I did not know anything about them.

Question. State what you know.

Answer. My contract with Haskell was extended. After I had bought 200 mules, calculating to turn them in to Haskell, this difficulty about pay grew up. I found that I was to be first shav'd upon the voucher, and then that I could not negotiate the voucher if I got it, without being the loser all the way through, I went to Major Allen last week, stated the case to him, and told him I wanted to turn in the mules to the government directly. We had some discussion about the price. I told him how I was situated, that I should be the loser on account of the depreciation of paper, and he finally agreed to take the mules and give me \$115 a head, and then I was to do the best I could. Major Allen's voucher I could not sell when I got it. The banks are as bad as they can be and vouchers are no better; they are depreciated in the market. I made the contract with Major Allen on account of the difficulty of getting money on vouchers. I wanted to contract directly with him, and that is what I told McKinstry in the first place.

Question. If you get your pay for these mules in government funds, could you not afford to furnish them to the government for less than \$115 a head?

Answer. Well, in regard to the price which the government has paid for the mules it has bought, I should say, considering the times, that it has paid too much; but considering the average value of mules in good and bad times, the government has bought them low. The swindle of the matter is between the contractors and the farmers. If the farmers could have sold their mules directly to the government, the government could have bought them for less than they have.

Question. I understand you to say that McKinstry refused to take the mules directly at \$108 a head?

Answer. He refused to take them at all at any price, but turned me over to other parties.

Question. And you were compelled to sell to them, at \$108 a head, and take your pay in depreciated currency?

Answer. Yes, sir. McKinstry first refused absolutely, and when I got the note from Mr. Blair, he turned me over to General Frémont, and Woods referred me back to McKinstry. There is a set of favored contractors here in the city, and a man from the country has no chance when those men are in the market. Those men, Singleton and Thomas January, came to buy my mules. I told them they could have the mules for \$108 a head in money. They asked me what money. I told them that when I spoke of money I meant money. They laughed at me and rode off. I began to get mad about the manner in which I was treated, and therefore I went to Major Allen to get this contract. After I got the contract, which, I think, was on the 16th or 17th of September, and after I had got an order for the inspection of my mules, January went to some of the parties of whom I was buying stock, and tried to injure my credit. He also tried to prevent my mules from being inspected. Peay had been in this game with Haskell all the time. After he got out with Haskell, he went, so Cap-

tain Bradshaw told me, and agreed to furnish 180 mules directly to the government for \$110 a head. Peay then goes before Major Allen and tells him that I had gone into the market to buy mules, and that I was buying the very mules which he was going to turn in to the government at \$110, and that consequently this government would be a loser. That was entirely false as I am prepared to prove. Quartermaster Allen had my inspection stopped until the matter could be investigated. This same Peay was the man who, I always thought, whenever we got our mules in here, managed to have a lot of them condemned, and then turned round and bought them himself. Out of my last lot eight were condemned, and then a friend of Peay bought them for \$400, and the next day turned in four of them at \$119 a head, and a few days after got the other four in at the same price.

Question. Who inspected the mules?

Answer. Blakely inspected the lot from which eight were condemned.

Question. Do you know who inspected them when they were accepted?

Answer. No, sir; but I know that the eight were received. It has been a regular game to condemn a whole lot of mules, and then turn round, buy them at a reduced price, and turn them in to the government. A. Wilson was the man who bought the eight condemned mules, but Peay paid the money. Mind I do not say that Robert Peay bought the mules, but I say that a friend who stopped at his stable did buy them; that Peay paid for them, and that the mules were received afterwards. Wilson himself told me that the next day he turned in four of those mules, and I know that a short time after the other four went in.

Question. Did he state by what means they were got in?

Answer. No, sir; only that they passed inspection. When I found that I could do nothing with Haskell's vouchers, I determined that I would sell directly to the government, and I advised many of my friends that they had better stop selling and told them I would see if there could not be an arrangement made to give the stock to the government without loss. One man immediately turned over 175 head to me to negotiate for. I went to Captain Bradshaw, and he said he would go and see Major Allen. He told me to come back to him in an hour and a half. I returned with Wiles, who also had some mules to sell, and Captain Bradshaw said that Major Allen did not want any more mules; that he had despatches from Jefferson City that they could get 600 mules there. I then told him I reckoned we could feed them. A Mr. Fox, of Springfield, who had a contract for mules, was present during this conversation. Bradshaw told me I could sell the mules to Peay and Haskell, or to Fox or January.

Question. Was that after he had told you that Major Allen did not want any more mules?

Answer. Yes, sir; he said that these individuals, having contracts, would buy the mules. Fox then turned to me and said he would like 167 for the purpose of filling his contract. The day before he had offered me \$110 a head for them, in vouchers. I told him I would not take it, because, as vouchers had so depreciated, and Missouri money depreciated, I should come out a loser; there was no telling

when the government would pay our vouchers. He asked me what I would take; I told him I would not sell them at all except to the government. Bradshaw said that Peay would buy them; I told him that Peay could not buy them of me. I then, with Wiles, called directly upon Major Allen, and we sold him our mules for \$115 a head.

Question. Did Major Allen say anything to you about not buying any more mules?

Answer. No, sir; he told me about having a telegraphic despatch from Jefferson City, informing him that he could get mules there; but still he said he would take our mules.

Question. He told you that, although not in pressing need of mules, he was still buying them?

Answer. Yes, sir; we got into a discussion about Missouri money, and about vouchers, and the time when they would be paid. I told him if he would pay us \$112 for the mules it would be all right; but that, if we had to take the vouchers and run around town to raise money on them, that we could not sell them for that, because vouchers were at a discount. He then agreed to give us \$115, and we were to take our chances with the vouchers. After that Peay and Haskell pitched into me and stopped the inspection of my mules, under a false representation that I had been buying mules which they had agreed to furnish at \$110 a head; and those same parties were buying my mules which had been rejected.

Question. Do you know anything about the contract for supplying beef to this department?

Answer. I have been trying to sell to the contractor, Albert Pierce, the beef cattle of my neighbors. I believe that this Pierce is a sort of Peter Funk, and that Dr. Mack, of northern Illinois, and Samuel Holmes, of Quincy, are the real contractors. Dr. Mack and Mr. Holmes wanted me to make a proposition to furnish the Cape Girardeau post for six months. I knew they were getting three and a half cents per pound, gross weight, under the contract. I told them I would furnish 3,000 head of cattle at three cents, gross weight, between that time and April. The question then came up about slaughtering, and I told them I wanted the hides and tallow for slaughtering; they would not agree to that; then I offered to give them two dollars a head for all I slaughtered, I to have the hides and tallow; they would not agree to it, though my proposition would have given them \$8 25 profit on each head of cattle.

Question. Who negotiated with you in regard to supplying the post at Cape Girardeau?

Answer. Dr. Mack did more of the talking than any one else.

Question. For how many days was the advertisement for proposals to supply beef published?

Answer. That will be shown by a copy of the advertisement which I have here, and which I offer as a part of my testimony. It is as follows:

“OFFICE COMMISSARY OF SUBSISTENCE,

“*St. Louis, Mo., September 20, 1861.*

“Sealed proposals will be received by the undersigned, at this office, until 12 o'clock m. September 25, 1861, for furnishing to the United

States, for issue to the troops in the western department, such beef cattle as may be required, on the hoof, commencing October 1, 1861; the cattle to be delivered on the hoof, at such times, in such numbers, and at such depots as may be established by the general commanding or other competent authority; the contractor to distribute and slaughter the cattle, receiving as compensation therefor the hides and tallow. All cattle, when received at the depots established by the government, to be inspected by the commissary of subsistence receiving them, or by an officer or officers appointed for the purpose, and none to be received but of the best quality of beef cattle, the average weight to be 1,250 pounds, and none of less weight than 1,000 pounds.

“Proposals will state the price per net pound at which beef of the best quality, in equal parts of fore and hind quarters, neck and shanks to be excluded, will be furnished to the troops at Jefferson City, Rolla, St. Louis, St. Louis arsenal, Jefferson Barracks, Pilot Knob, Cape Girardeau, Bird’s Point, Cairo, and Paducah.

“Bids will state the price for gross or net pound, as the case may be, at which it is proposed to furnish the cattle or beef, and be accompanied with a bond for \$50,000 that the parties bidding will, in case their bids are accepted, file, within three days of the date of the acceptance, a bond for \$100,000, to be approved by the undersigned, for the faithful performance of the contract.

“Proposals will be received for furnishing the troops for three, six, nine, and twelve months; the undersigned reserving the right to make the contracts for either length of time.

“T. J. HAINES,

“*Captain and Commissary of Subsistence.*”

St. Louis, October 21, 1861.

WILLIAM V. HALL, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In Howard county, Missouri.

Question. What is your business?

Answer. I am a tobacconist.

Question. Have you had any contracts with the government?

Answer. No, sir.

Question. Have you furnished any supplies to contractors with the government for government use?

Answer. I have.

Question. State what they were.

Answer. I have furnished in the neighborhood of 400 mules.

Question. To whom?

Answer. I sold a portion of them to J. C. Kelley & Co., and some to a Mr. Morse.

Question. What price did you get for them?

Answer. I got \$100 each for about 100 which I sold to Kelley, and 105 each for those I sold to Morse. I entered into a contract with Morse to let him have about 160 or 170 mules, and I was to have \$112 ahead for all that passed inspection.

Question. Did you sell them to him subject to inspection.

Answer. Yes, sir; all the mules I have sold I sold subject to inspection.

Question. And such as did not pass inspection were to remain upon your hands?

Answer. Yes, sir; of the 112 mules which I sold to J. C. Kelley & Co there were some that were refused, and those mules were put in to the government afterwards.

Question. In filling your contract with Kelley the inspector refused some of the mules you brought?

Answer. Yes, sir.

Question. And they were afterwards put in to the government by whom?

Answer. By J. C. Kelley & Co.

Question. Were they inspected by the inspector who previously inspected them?

Answer. No, sir; Saxton was the man who threw the mules out.

Question. What inspector passed them?

Answer. Mr. Chambers.

Question. Do you know the reason why Saxton rejected them?

Answer. Saxton objected to them both on account of their age and size.

Question. Do you know what influences were brought to bear upon Chambers to induce him to receive the mules?

Answer. No, sir; the first lot of mules I brought down I brought down under protest, as they were taken away from me once by Captain Poindexter, a rebel, but they were restored to me by giving a bond of \$8,000 that the mules should not be sold to the federal government nor sold at St. Louis. The next lot of mules, 95 in number, I sold to the same parties, and out of that lot only 37 passed inspection. There were mules rejected from that lot which were 15 hands and 1½ inch high, and to which there could be no objection.

Question. By whom were they rejected?

Answer. By this man Chambers, who received the others that had been rejected by Saxton.

Question. Do you know of any reason for their rejection?

Answer. I do not.

Question. Did they afterwards pass inspection?

Answer. They did. They were admitted last week.

Question. What did you do with them after they were rejected?

Answer. I took them away from the lot where they were to another lot, and fed them four or five days, until Morse had an inspection. I then showed him the stock, and he bought the mules, subject to inspection. They were inspected, and all were received except five.

Question. Who inspected them the last time?

Answer. Mr. Saxton. There were but two bad mules in the lot.

Question. So Chambers received some that Saxton rejected, and Saxton received some that Chambers rejected?

Answer. Yes, sir. Saxton received the mules which were 15 hands $1\frac{1}{2}$ inch high, and which Chambers had rejected.

Question. Why were they rejected?

Answer. I do not know.

Question. Was the matter currently spoken of?

Answer. It was, and it was said there was a speculation at the bottom of it.

Question. Do you know of any person who has paid any of these inspectors money for the purpose of having their mules passed?

Answer. I do not.

Question. Do you know of any other transactions which it is important that this committee should know for the purpose of accomplishing the purpose for which they were appointed?

Answer. I do not.

St. Louis, *October 21, 1861.*

HIRAM SANFORD, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In Paris, Illinois.

Question. What is your business?

Answer. I have been banking there for some time past.

Question. Do you know Peter Wiles?

Answer. Yes, sir.

Question. Do you know anything about his transactions with the government in furnishing horses and mules?

Answer. So far as any contract between him and the government is concerned, I do not. I know I made an arrangement with Mr. Arrington, who professed to be an agent of T. T. January, to furnish him some 500 mules, with the understanding that Wiles & Woodruff had some interest in the matter. This was last Monday afternoon, and the mules were to be delivered that week. On Tuesday morning January came, with Singleton, to Wiles & Woodruff's stable and said that Arrington was not their agent, and that he, January, would not be bound by any act of his. Of course I did not carry out the contract.

Question. Who is this Arrington?

Answer. I think he is a man lately from California.

Question. Do you know whether he is constantly about the quartermaster's office?

Answer. I do not know; I have heard that he was there considerably, but I have no personal knowledge in reference to it.

Question. What is his connexion with the quartermaster's department?

Answer. I do not know. I learned from a party down town that he was about that office and that he had some position; what it was he did not know.

St. Louis, *October 21, 1861.*

ALBERT G. DRAPER, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. I am stopping in this city now.

Question. What is your business?

Answer. I am in the employ of the quartermaster here.

Question. In whose office?

Answer. Captain Turnley's.

Question. Have you been an inspector of horses and mules for the government?

Answer. Yes, sir.

Question. Upon whose contract did you inspect horses?

Answer. I inspected mules for Mr. Morse and some for Mr. Harvey.

Question. Have you had any difficulty or heard any complaint made about the inspection of mules?

Answer. Complaint has been made by parties that I did not pass as many as they thought I ought to.

Question. Who made that complaint?

Answer. Mr. Morse was the man who seemed to complain.

Question. What complaint did he make?

Answer. He said he did not want me to inspect any more mules for him. He wanted Saxton to inspect for him.

Question. Why did he want Saxton?

Answer. I cannot say.

Question. Did you reject some of Morse's mules?

Answer. Yes, sir; I threw out a great many of them, and Mr. Saxton and two other gentlemen, whose names I do not know, took 32 out of the same lot I had thrown out; that is they inspected the same lot of mules over again and I think they passed 32 which I had rejected, and handed them over to the government.

Question. Did those mules come up to the government standard?

Answer. Some of them were tall enough, but they were thin, and not fit for government service. Morse was dissatisfied, and said he would have Captain Turnley removed.

Question. Upon what ground?

Answer. Because Morse said he would not take such mules as the contract called for.

Question. Was Captain Turnley removed shortly after?

Answer. Yes, sir.

Question. Was he removed through the influence of Mr. Morse?

Answer. I cannot say.

Question. Is that all you know about the matter?

Answer. Yes, sir. I was sent up there the next day, after I had received orders not to inspect any more, and I saw thirty-two of that same lot of rejected mules put in, and Morse came to me and said he did not want me to say anything about the transaction. I told him I had nothing to do with that inspection.

Question. Are you still in the quartermaster's office?

Answer. Yes, sir.

Question. Are you still inspecting stock?

Answer. No, sir. I was sent up to Jefferson City soon after that, and have just returned. Morse said he did not want me to say anything to Saxton about my having rejected those mules.

Question. Did you say anything to Saxton about it?

Answer. I did not.

Question. Did you say anything to Captain Turnley about them?

Answer. No, sir; but I told Mr. Chambers.

Question. Is Saxton still an inspector?

Answer. Yes, sir. I think he is inspecting mules to-day.

Question. Inspecting for Captain Turnley?

Answer. No, sir; for Captain Bradshaw.

Question. Do you know whether there were any other considerations which induced Saxton to pass those mules excepting that he considered them up to the standard?

Answer. I do not know.

Question. Did you consider that those mules came up to the standard?

Answer. No, sir; I did not consider them fit for government service.

Question. Is there so much difference between the inspectors that one will reject a lot of animals as totally unfit for service, while another will pass them as being entirely fit?

Answer. I only know the facts. It depends on a man's judgment. I have been in the government service some time, and I ought to know what kind of animals are fit for work.

Question. Do you know Jim Neil?

Answer. I do not know that I do.

St. Louis, *October 21, 1861.*

HORACE W. WOODRUFF, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am the partner of Peter Wiles in the livery business, and horse dealing generally.

Question. What do you know in relation to an arrangement which your firm had with January & Singleton, in relation to some mules?

Answer. In the first place, a man by the name of Sanford wanted to know if we could furnish mules. We asked how many? He replied 500. He said a party had been talking to him about mules, but he was not at liberty then to state his name. We told him we could furnish the mules. Soon afterwards he came and told us we could furnish them. I then said that I would like to know upon what terms and conditions the mules were to be furnished, and who the parties were. He said a man by the name of Arrington was

authorized by Mr. January to complete a contract with us for those mules. I was not then satisfied about it, and told him he had better reduce the understanding to writing, or have Arrington come up and state the case to me. He went to Arrington in order to get the matter put into writing, but instead of that he came to me himself, with Mr. Sanford, and said he was authorized by Mr. January to give us \$105 a head for the mules, payable in specie or gold. On those conditions we went on and bought the mules.

Question. What did you do with them?

Answer. We found out afterwards that we had got blocked in the game. Mr. Wiles went to Mr. Arrington or Bradshaw, or both, and got an order for the inspection of 200 mules. We had mules in the country which we dare not bring in when we found out just how matters stood.

Question. Who is this Arrington?

Answer. I do not know him.

Question. Do you know a man by the name of Beatty?

Answer. I do not; I have been in St. Louis only since the first of January.

Question. Do you know a man by the name of Baker?

Answer. I do not.

Question. What did you finally do with the mules?

Answer. When we got into difficulty with our contract with Arrington, we took our mules and sold them directly to the government at \$115 per head.

Question. At what price were you to deliver them to the contractor January?

Answer. For \$105 a head in gold.

Question. What was your idea about their repudiating the contract?

Answer. That is not the first time the game has been played upon us. It has been practiced several times.

Question. By the same parties?

Answer. Yes, sir. Wiles has been here twelve or fifteen years, and knows everybody, and everybody has confidence in him, and consequently two-thirds of the horses and mules which come into this city for sale come to our stable. Dealers and holders of stock write to us from every part of the country, asking us what disposition they can make of their stock, and we keep them advised upon the subject. My idea about the transaction was that, knowing we could command the stock, they would get us to go so far as to bring it in here, and then they would turn round, repudiate the contract of Arrington, and then buy the stock at a lower figure. For January came to us afterwards and said he would give us \$100 a head for the stock. I said to him I thought there was something very singular about the transaction, and I asked him one favor, and that was that he would meet me somewhere with Arrington, and look into the matter. But he would not meet me upon the subject at all. Mr. January is such a kind of man that it looked very singular to me.

Question. What was the arrangement about horses?

Answer. They agreed to give us \$115 a head for artillery horses, and \$105 for cavalry horses, and take all we could get within a certain

time. We went on and contracted with parties to deliver us the horses, and we paid as high as \$115 for horses. When we came to put them in he allowed us \$110 instead of \$115.

Question. Would you not as soon have sold the horses to the government as to January and at the same price?

Answer. We certainly would.

Question. Why did you not do so?

Answer. Because we had no chance to do so. By the way, before I went into company with Wiles, I was acquainted with one of the councilmen of this city, a prominent man, and he advised me to go in company with Wiles, as being an honest man, one who could always be depended on, and who had always sold more or less horses and mules to the government. I went with Wiles to Major McKinstry to get the contract which was first let after the commencement of our troubles. He said those horses and mules would have to be delivered within eight days after the contract was entered into. We told him that no man could furnish them in that time, and that therefore we should not put in a bid. Said he, "If those horses and mules are not furnished within the time specified I shall go into the market and buy the horses and mules." The eight days came around, but the stock was not furnished, and there was an extension of thirty days upon the contract.

Question. Then the horses and mules which, according to the advertisement, were to be delivered in eight days, were not all delivered in thirty days?

Answer. I think about fifty horses and fifty mules were delivered within the eight days. I think the extension upon the contract was about thirty days.

Question. Do you know who this man Arrington is?

Answer. I understand he is a Californian.

Question. Where is he employed?

Answer. I understood yesterday morning that he had some connexion with the quartermaster, that he was a sort of private secretary.

Question. From whom did you understand that?

Answer. From Mr. Coburn.

Question. Who is he?

Answer. The ticket agent of the Terre Haute and Alton railroad.

Question. Has Mr. Coburn been interested in the horse business.

Answer. Yes, sir.

Question. You would have preferred to furnish those two hundred mules to the government rather than to January?

Answer. Certainly, and we proposed to do so, but we could not make an arrangement. Captain Turnley was knowing to the way in which we bought horses for General Frémont, and he has had the subject brought to his attention time and again.

St. Louis, *October 21, 1861.*

ANSYL PHILLIPS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. At St. Louis.

Question. What is your business?

Answer. I am agent of the Keokuk Packet Company.

Question. Have you made any contracts with the government, or proposed to make any?

Answer. Yes, sir, several.

Question. What are they?

Answer. Contracts for the transportation of freight, for the chartering of boats, and I have also sold the government some horses and mules.

Question. To whom did you sell the mules and horses?

Answer. To Major McKinstry.

Question. In making those contracts with McKinstry what conversation did you have with him?

Answer. I can hardly say now. The first horses I bought for him were about the first of June. He told me he wanted about forty horses, one-half cavalry and one-half artillery. He asked me what I could furnish them for. I told him, and he said I could go on and buy that many. I think I furnished forty or forty-three.

Question. Are those the only horses you furnished him?

Answer. No, sir. After that I furnished him one hundred and ninety-six horses and eighty-nine mules.

Question. Was any party interested with you, or did any party propose to be interested with you in the contract?

Answer. There were one or two persons interested.

Question. Who were they?

Answer. Joseph S. Pease and John H. Bowen.

Question. At whose suggestion was it that you entered into connexion with those men?

Answer. At the suggestion of Major McKinstry.

Question. What did he tell you?

Answer. John H. Bowen and myself were down on the levee, and McKinstry called out to me and said: "Captain, you and Bowen and Pease can go to work and furnish me with a hundred horses."

Question. What did he say about the price?

Answer. Not a word then. I went on and bought eighty-nine mules altogether. McKinstry's young man, Jim Neil, came to me one day and said, Major McKinstry wants you to go on and buy one hundred and fifty horses for some Dutch company here, and asked me if I could do it. I told him I could. I went on and bought at different times one hundred and fifty and forty-six, making in all one hundred and ninety-six head. There was nothing said about the price until I was nearly through buying them. I saw the major one day in his office, and he said: "I am going to put the price on those horses down pretty low; I am going to make you buy them damn low—\$110 a head." That was what he paid me for the horses and mules. For some artillery

horses he paid me \$119 a head, but the cavalry horses and the mules were put at \$110. For the first horses I furnished him he paid me more, because horses were higher then.

Question. Did he give you vouchers?

Answer. Yes, sir.

Question. In whose name were they made out?

Answer. My own. One voucher was for \$12,810, and one for \$5,000. Those are paid. The others are not paid.

Question. At whose suggestion did I understand you to say that you took in Bowen and Pease?

Answer. At the suggestion of Major McKinstry. He told me they were to be the men interested with me.

Question. What relation, if you know, exists between either or both of those parties and Major McKinstry.

Answer. I do not know that Bowen is any relation, though I have always understood that Pease was related to him.

Question. What kind of relation?

Answer. I do not know. I cannot say positively that there is any.

Question. What interest had either or both of those parties in the contract with you?

Answer. Well, in winding up the matter this man Neil wanted to claim a part of the profits. If that was allowed, each party would have a one-fourth interest; but I have not yet been disposed to settle in that way, as I did all the work and furnished all the money.

Question. Upon what ground did Neil claim an interest in the contract?

Answer. No other ground than this, that he said he had one hundred and fifty horses to buy, and that he told me to go on and buy them, and he said he expected to make something out of it. I suppose he wanted to make two or three hundred dollars. I calculated to give him that for his trouble, but when we got through he claimed more.

Question. These were the horses which were put in at \$110?

Answer. A part of them were put in at \$110 and a part at \$119. Part were cavalry, and part were artillery horses.

Question. Did you sell McKinstry any of them at a price higher than \$119?

Answer. Yes, sir; some I sold at \$150 apiece. Those were of the first lot I bought.

Question. Did you not sell four horses at \$160?

Answer. I say they averaged \$150.

Question. Answer my question.

Answer. I think some were sold at \$160.

Question. At the same time did you not sell two horses at \$155, each?

Answer. I sold him the horses, so that I think they averaged \$150, each.

Question. How many did you sell him upon that occasion?

Answer. I bought horses twice, and there might have been forty-five horses in the first purchase.

Question. How many of those forty-five horses did you sell for less than \$150?

Answer. I sold some of them at \$125 a head.

Question. How many?

Answer. There might have been eight. There were eight, as nearly as I can recollect.

Question. Will you say there were more than three?

Answer. I think there were.

Question. How many more than three?

Answer. I think there were four pairs, but I am not positive about it.

Question. How many of them did you sell at less than \$140?

Answer. I cannot say. I think the first lot would average \$150 apiece.

Question. Did you sell any at \$170?

Answer. No, sir.

Question. Did you sell any at \$165?

Answer. I do not think I did.

Question. What reason did McKinstry give for insisting that you should take Bowen and Pease into partnership?

Answer. I do not know that he insisted upon it. He told me they were to be the parties I should buy with.

Question. When did he insist upon that?

Answer. When I bought the last lot.

Question. What did he say then?

Answer. He hallooed to me when I was upon the levee, and said he wanted me and Bowen and Pease to buy one hundred horses, and that all three of us would be interested in it. But I noticed afterwards that I bought all the horses, and paid all the money for them, and divided the profits.

Question. What did Pease do in reference to the purchase of those horses?

Answer. Not a thing in reference to those horses I bought. I think he put in \$1,000 to buy the first lot—the high-priced horses.

Question. Has he contributed anything since then?

Answer. No, sir.

Question. Did Bowen furnish any money?

Answer. Not a dollar.

Question. Then what reason was there for your allowing those men to come in as partners in the transaction?

Answer. None, as far as I was concerned.

Question. Did you object to that arrangement?

Answer. No, sir.

Question. Have you, at any time, objected to taking them in as partners?

Answer. I did object to it quite recently.

Question. When?

Answer. When I went to settle with McKinstry.

Question. What did he say to that?

Answer. He said that was the contract. These parties came to me to divide, and I told them it was not right that I should divide, as I

had done all the work and advanced all the money. But they insisted upon it. I said if they insisted upon it I would leave the matter to Major McKinstry. I did leave it to him, and he decided that I should pay them a part of the profits.

Question. Did that include Jim Neil?

Answer. Yes, sir.

Question. Then you divided the profits among four?

Answer. Yes, sir.

Question. How much came to each?

Answer. \$6,000 was to be divided among three or four.

Question. With whom did you divide the profits on the first lot of horses.

Answer. With Pease. He furnished some money.

Question. What was the amount of profits upon that first lot?

Answer. I think it was \$700. Horses were very high then. I paid \$140, each, for many of them.

Question. Do you know anything about the contract for the supply of beef to this department?

Answer. No, sir.

Question. Do you know anything about the furnishing of other articles to the government?

Answer. Nothing except what I have heard.

Question. What have you heard.

Answer. Only outside talk; such as that some men were furnishing beef at five cents, while other parties got eight cents.

Question. Do you know anything about any other contracts?

Answer. I know something about Bowen's contract. I know he got a contract for furnishing seven or eight hundred horses and mules. He said, a few minutes after he got the contract, "I have got a contract for so many mules and horses; I would like to have you buy them, as you know all the stock men of the country. If you will do that I will give you a certain interest in the contract." I told him "very well." He went up town that evening to see some party, and the next morning he said to me that he was offered \$10,000 for his contract, and asked me what he should do about it, and whether he should sell it or not. I told him if he could get \$10,000 for the contract to sell it by all means. Well, said he, "I am offered that."

Question. Did he say by whom?

Answer. Yes, sir.

Question. By whom?

Answer. By Wheeler & Thomson.

Question. I asked him how much he could get down.

Answer. He said one-half down, and the remainder when they got their pay for the stock. I told him by all means to sell the contract. That same evening he came back and said that those men were going to back out. He told me to go on and buy the stock. I proceeded to advertise for the stock. The next morning I saw Bowen again, and he told me he had sold the contract to those men. I think he told me he was to get \$5,000 down. He then said to me, "now, as you have not done anything in this matter, of course you will not be interested in it."

Question. Did he tell you who was interested in it?

Answer. Yes, sir ; Mr. Jones.

Question. Did he tell you who was interested in that \$5,000 ?

Answer. No, sir ; I have heard since that that it was Pease.

Question. What share was Pease to have ?

Answer. I think he was to have one-quarter.

Question. Is Pease a brother-in-law of McKinstry ?

Answer. I cannot say.

Question. Did you have any difficulty in getting your horses inspected ?

Answer. I sometimes kept the stock on hand a long while before I could get it inspected.

Question. Who inspected the stock for you ?

Answer. Different persons ; Blakely inspected some ; a German captain inspected a good many of his own horses, as he wanted to buy them himself ; Major McKinstry allowed him to inspect them.

Question. Did Neil inspect any ?

Answer. Not for me ; I saw him inspect some.

Question. For whom ?

Answer. For himself.

Question. How many ?

Answer. A good lot of them.

Question. How many ?

Answer. I cannot tell ; I should say 100, and perhaps more.

Question. Did you ever have to pay anybody anything to get your horses inspected ?

Answer. No, sir.

Question. Do you know of anybody who did pay any money for that purpose ?

Answer. I have heard it said that some persons did pay money for that purpose.

Question. Who told you ?

Answer. I cannot say.

Question. Are the horses you have mentioned all the horses you have bought ?

Answer. I have bought horses and sold them to other parties ; I sold some horses at Cairo.

Question. Have you had any contracts with the government other than such as you have mentioned ?

Answer. No, sir ; for those I got at Cairo I got \$150 apiece.

Question. Did you ever have a contract in your name for other parties and allowed them to fill it ?

Answer. No, sir.

Question. Did Pease and Bowen do anything at all towards filling these contracts ?

Answer. No, sir.

Question. Then they had no part in the contracts except to receive their part of the profits ?

Answer. Not in this last contract.

Question. Did Pease do anything except to furnish \$1,000 towards the first contract ?

Answer. Nothing.

Question. And he received his share of the profits?

Answer. Yes, sir.

Question. Do you know the reason why McKinstry recommended Pease to go into the matter?

Answer. I do not ; but I have my opinion about it.

Question. Give us that opinion.

Answer. I suppose he was a friend of Pease and wanted to help him along a little.

Question. Any other reason?

Answer. I cannot say that there was any other reason.

Question. What is your opinion about it?

Answer. Opinions are of no account, I reckon.

Question. Were you ever engaged in the horse business before?

Answer. No, sir ; but I knew the stock men because they travelled upon our boats, and for that reason I had an opportunity to buy which other persons had not, and that is the way in which I became engaged in the business.

St. Louis, *October 22, 1861.*

OLIVER LIPPENCOTT, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. I am residing temporarily in St. Louis ; I bought a piece of land in this State some time since with the intention of settling upon it, but owing to the present disturbances I have not been able to do so.

Question. What has been your business here?

Answer. For the last four months I have been trying to help the cause of my country ; I have been devoting my whole energies to calling the attention of the authorities here to four or five secession bands in my part of the State.

Question. Have you had any contracts with the government?

Answer. No, sir.

Question. Have you been making purchases for the government, or for persons who are supplying the government?

Answer. No, sir. I tried to sell some of my mules to the government.

Question. State the circumstances of your effort.

Answer. In the last week in July I went to Major McKinstry, and told him that I had twelve mules which I wished to sell directly to the government ; that I did not want to sell them to contractors, because I wanted the government to make all there was to be made on them. I told him I would sell them to the government at \$90 a head. He agreed to take them at that price if I would bring them in. He inquired how long it would take me to get them here, and I told him one week. About a week after, and on the 7th or 8th of August, I came down with them, and drove them right to headquarters—that is, the quartermaster's office—because I did not know where else to take them. Blakely, a government inspector, was

standing on the steps. I did not know him then. He told me to take the mules up to Manning's stable, and he would see me in the morning. I drove them there, and in the morning I went down to see McKinstry. He told me to sit down and wait. I did so, and I waited an hour or an hour and a half. Blakely came in and went out several times while I sat there. After I had remained nearly two hours Major McKinstry turned round and said, "Captain Phillips, go and inspect Captain Lippincott's mules." Captain Phillips went with me up to the stable to inspect the mules. I thought he was one of the inspectors for the government.

Question. Who is this Captain Phillips?

Answer. He is the agent of the Keokuk Packet Company. He looked at the mules and said they were too small. But before we got back to the office he said he would give me \$75 apiece for the mules. When he arrived at the office he reported to McKinstry. I told McKinstry that they were a tough Spanish mule, and that I thought they would do better service than the mules the government was buying. I told him, at the same time, that I did not want to sell them to anybody but the government. Captain Phillips reported to Major McKinstry that the mules were too small, and that he did not think they would answer. I felt a little down about that, and I expected to go back into the country with my mules. But just at that moment McKinstry said, "Blakely, you go up and look at the mules, and see if they will not do for leaders." Phillips and Blakely stepped out one side, and had a little talk together. Then Blakely said, "Anyhow, Phillips, there are two that will not do, anyhow." Those were a lopped-eared and a crooked-legged mule. I overheard that much. "I would not inspect them all, anyhow," said he. The mules were in an open lot, next to a stable, and Blakely went into the lot. He pointed out the lopped-eared one and the crooked-legged one, and another, and said they would not answer. He passed but seven of them out of the twelve. I had never agreed to take the offer of \$75 a head. Blakely spoke to the keeper of the stable, and told him to lock up those mules, as they belonged to Captain Phillips. I had not sold them to Captain Phillips, for I supposed I had sold them to the government. I had told Blakely that I had rather take \$50 for my mules from the government rather than sell them to anybody else. Blakely went in to the stable-keeper's desk, took up a piece of paper—I saw it but could not find it lately—and wrote, "Captain Phillips, I have passed seven of Lippincott's mules at \$75 apiece." I took the paper but did not look at it, supposing it was all right, and was going down to get the money. When I got to the office I looked at the paper for the first time, and saw what it contained. I went in, found a great many officers there, and Major McKinstry very busy, and consequently I did not get a chance to talk to him. I thought over the matter, saw I could not get to McKinstry, knew I was here upon expense, and finally concluded that perhaps I had better take the money they offered. I went to Captain Phillips and said, "Here is the note from Blakely. Give me the money." So Captain Phillips counted me out the money in Missouri currency.

I did not get away that day, and in the afternoon I thought I would

tell McKinstry what I thought about this mule transaction. I went up to his office, and General Frémont's law partner (I think he was) was there. I said, "Major McKinstry, I think it very strange that I could not sell my mules to the government, but was obliged to sell them to another party, who himself sold them to the government." I knew they had been sold to the government, for they had been branded. "The man you sent to inspect my mules turned round and offered me seventy-five dollars apiece for them. He would not pass them for me, but they were passed for him by another man." I turned round to leave the office. Says he, "You cannot leave the office; you have made a charge." And he thumped upon a bell two or three times. Said he, "You did not sell your mules to the government." I replied, "No; but I did all I could to sell them to the government." That was after he had rung the bell. "You called Captain Phillips up, and told him to go and inspect my mules; and after he pronounced them too small he offered me \$75 apiece for them, and Blakely passed them for him." No one came at the call of the bell, and after sitting there awhile I got up and left. And that was the end of that mule scrape.

I went up to Lincoln county again, but before I went up I went to see Jones, the United States district attorney. He said if I would go up there and get a list of the secession ringleaders there he would give me a letter of introduction to Sturges. He gave me a pass, and I went up. I remained ten days among the secessionists, and came down again, and brought with me five more mules at my own risk. That was two or three weeks after the first mule scrape. I went to Major McKinstry's headquarters again and wrote upon a piece of paper: "Major McKinstry, I have five mules—good, tough, stout mules. I want to sell them to the government. I will sell them for \$90 apiece." I thought I might get them in that time. McKinstry told me to sit down. I did so, and waited until one o'clock; went to my dinner, and came back and waited until six o'clock. I supposed he would send an inspector to look at them. I remained all day, but nothing was done. I told Major McKinstry there did not seem to be any prospect of doing anything that day, and I would leave. He said no, and told me to call the next morning. I went there early the next morning, and gave a buck nigger 25 cents to let me in first, as he seemed to be keeping everybody out. I went in and remained there until dinner time again, but got no inspection. At last I was about to go away, and McKinstry said, "Neil, go and buy Lippincott's mules." I suppose it was Jim Neil. So Neil and I went up to look at the mules. Said Neil, "I tell you what I will do: I think I will take those mules of you. I will give you \$75 each for four of them, and \$65 for the other one; and if I buy them I will give you the money in ten minutes. Come with me to headquarters, and I will know in ten minutes whether I will buy them." When we got there Major McKinstry jumped into the buggy with Neil and drove off; so I waited until the next morning. The next morning Neil said he could not take my mules, as he was not buying. I inquired who was buying mules; he said nobody. So I kept my mules for two weeks, when I saw that a man by the name of Bess had advertised for mules.

I went to him, told him to make me an offer, as I must sell the mules even if I had to sacrifice them, for I wanted the money to buy necessities for the people up there from whom I bought the mules. He said he would give me \$200 for the five mules. I told him to take them. I met Bess three days afterwards and asked him for whom he was buying mules. He said he was buying upon commission for a man who had a contract with the government. I am pretty certain he told me afterwards that those mules were put in upon the contract with the government.

Question. Do you know for whom he was buying?

Answer. No further than that he is buying for somebody for the government.

Question. When Jim Neil told you that the government was buying no more mules, did you learn that they were buying mules all the time.

Answer. No, sir. I learned that one Pease was buying mules. I heard that he was a brother-in-law of McKinstry, and I would not go to see him. I felt as though I had lost a great deal, and that if the government could give any preferences in their dealings they ought to encourage loyal men, instead of those secession contractors.

Question. Who were those secession contractors?

Answer. I heard that there were some down on Main street, but I do not know that it is so.

St. Louis, *October* 22, 1861.

FREDERICK M. COBURN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am agent of the Terre Haute, Alton, and St. Louis railroad.

Question. Have you had any contracts with the government, or with any parties for the government?

Answer. I will state that I had a contract with the government, made through Major McKinstry, to furnish 300 cavalry horses, at \$108 per head. The horses were to have been furnished in thirty days from the 26th of August, but in consequence of some unexplainable delay in granting inspection I was unable to fill the whole contract in time. Had they furnished me inspection as fast as I required it I could have filled the contract.

Question. What was the reason of the delay in furnishing inspection?

Answer. I cannot say; I have an impression, and that is, favoritism to certain contractors.

Question. What is the ground of that suspicion?

Answer. I see the contractors who are in close correspondence with the quartermaster's office seem to be in close communion with the government inspectors.

Question. Who are those contractors and inspectors?

Answer. I cannot give all their names, because I do not know them. Ellard and Neil were pointed out to me as parties concerned, and as being from California. In one instance I saw an inspector brought up, and, upon the recommendation of a contractor, sworn, and then that inspector was awarded to that contractor to examine his horses.

Question. Who was that contractor?

Answer. Mr. Ellard was the contractor and H. Page was the inspector.

Question. Was Page continued in the service of the government as inspector?

Answer. He inspected horses afterwards.

Question. That appointment was made upon the recommendation of Ellard.

Answer. Yes, sir. I was going to say that had an inspection been given to me at the time I showed myself ready to fulfil the contract, I could have fulfilled it readily and easily at prices much less than was being paid to others, but yet entirely satisfactory to me.

Question. Did you finally get your horses inspected?

Answer. I did after close attention in the office from one to five hours daily for eight days—from one Friday until the next.

Question. Did your horses pass inspection?

Answer. Yes, sir.

Question. Did you get your pay directly from the government?

Answer. I have not got it at all yet.

Question. Did you get a voucher?

Answer. Yes, sir.

Question. Was there any third party between you and the government?

Answer. No, sir.

Question. Was there any effort, during this time, by other contractors to buy the horses from you?

Answer. None.

Question. What do you suppose the delay in granting inspection meant?

Answer. I do not know. The inspectors were there, but they were awarded to other parties, notwithstanding my application, and standing in the presence of the quartermaster from one to four hours daily.

Question. Was some of this other stock, which was inspected while you were waiting, brought in after yours was?

Answer. Some of it was.

Question. Do you know anything in relation to any other contract?

Answer. Nothing that I could give you as evidence.

Question. Do you know of any person, acting as inspector, inspecting his own property?

Answer. I do not; I knew that Jim Neil was an inspector, and that he also had a contract, but whether he inspected his own horses I cannot say.

Question. Do you know anything in relation to the alteration of brands upon horses, thereby transferring them from cavalry to artillery horses?

Answer. Of my own knowledge I do not; I have heard such a statement made, but I do not know that it is true.

Question. Do you know of any sum of money being paid, at any time, to any inspector to induce him to pass horses or mules?

Answer. No, sir.

Question. At the time you furnished your horses, do you know what the government was paying for horses furnished through other contractors—horses which were not any better than yours?

Answer. They paid for some \$119 50, and I am told that they also paid for some \$125.

Question. How did the horses which you saw brought in at that price compare with the horses you furnished?

Answer. I think I put in the best lot of horses that has been put in.

Question. You have no other personal knowledge of other matters relating to these contracts?

Answer. I have not; the impression among what may be called the outside ring was anything but satisfactory to them.

Question. Did you apply directly to Major McKinstry for your contract?

Answer. I did.

Question. What do you mean by using the word "ring"?

Answer. My intention was to give you an idea that there were parties who were particular favorites; who had a knowledge of all that was going on inside, and who were ready to take up any offer which could be made there, and any contracts which were to be given out; while others, like myself, who wanted to deal directly with the government, had no means of doing so, and were kept out.

ST. LOUIS, *October 22, 1861.*

CHAS. L. SPENCER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am clerk in the store of E. Jaccard & Co.

Question. Who are these Jaccards?

Answer. They are manufacturers and dealers in silver ware and jewelry?

Question. State what you know of any purchases of silver ware being made of that firm within six weeks past, for whom purchased, with whom it was contracted to be furnished, at what price, &c.

Answer. I think about two months ago Major Selover, J. B. Brady, and Judge Krum came into the store in the evening to get a flag which I was having made for presentation to Totten's battery. The flag was finished; and while they were there, Major McKinstry came in. He said the flag was very nice, and just the thing they wanted. Major Selover, I think, told the gentlemen to take the flag, and he would settle for it, or that he would see that it was all right. Then he said, Mr. Jaccard, (speaking to me,) I want to look at your

silver ware. I showed it to him, and as soon as I found out that he wanted a general assortment, I commenced laying out the kind of silver ware of which I could furnish a full set throughout, and that was the Jenny Lind pattern. I carried the set all through, with a number of side pieces, dessert knives and cases, oyster ladle, preserve spoons, and some extra pieces. The set, the cases, and the flag were all included in one bill. The flag was ninety dollars. Major Selover paid the bill.

Question. What was the amount of the bill?

Answer. A little over \$3,000.

Question. For whom was this silver ware purchased?

Answer. For Mrs. General McKinstry.

Question. Was any name put upon it?

Answer. Every piece was engraved.

Question. What was the inscription?

Answer. On some pieces, which were small, and there was not much room, were the simple letters "McK." On other and larger pieces, where there was more room, and on all pieces where we could put it, were the words, "Mrs. General McKinstry." Upon the solid salver was this inscription: "Presented to Mrs. General McKinstry by friends of General Justus McKinstry, as a token of their respect for his distinguished zeal, and the eminent services rendered his country while acting as provost marshal of the city and county of St. Louis. September 28, A. D. 1861." I believe the service was got up by subscription. I was authorized by Jaccard to subscribe. I told him if I could subscribe a little I might make a good thing of it.

Question. Do you know who the subscribers were?

Answer. I do not know of my own knowledge. I have heard names mentioned. I understood that Major Selover, Mr. Brady, and Mr. Fox, of the firm of Child, Pratt & Fox, subscribed.

Question. Did you hear that Pease subscribed?

Answer. I do not remember that I did. I have seen no list of subscribers. Selover called in and paid the money. At one time he paid \$1,900, and said that was all he could collect; that some of the subscribers were out of town, and that when they came back he would pay the remainder. I told him it would be all right; that it would be that time before the engraving would be finished.

Question. Was Ellard's name mentioned in connexion with it?

Answer. I do not remember. He was in the shop at the time the silver was ordered.

Question. How much did you subscribe?

Answer. I subscribed \$100.

Question. What became of the silver ware?

Answer. I sent it down to Mrs. General McKinstry, and I went down with it myself to see that it was safely delivered.

Question. How much did it weigh?

Answer. I cannot say. There were a dozen pieces of each. It was the finest set we had, and the finest ever manufactured in the west. It was the set which took the premium at the St. Louis county fair?

St. Louis, *October 22, 1861.*

HENRY CLAPP, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. In St. Louis.

Question. What is your business ?

Answer. I am a composition-roof man.

Question. Have you had any contracts with the government for roofing ?

Answer. I have not.

Question. Have you made any efforts to obtain such a contract ?

Answer. Yes, sir.

Question. Relate the circumstances attending such efforts.

Answer. When the roofing of the Camp Benton Barracks was about being let I attempted to connect myself with the matter.

Question. What did you first do ?

Answer. I was sick at home at the time, but I had a friend, John Frakes, who made efforts to get the business for me. He went to see Ogden, the superintendent and architect, because he was much better acquainted with him than I was. That was Saturday. The matter ran along from Saturday till Wednesday, and I questioned him very closely every day, and he told me what he had been doing. It was at that time supposed there were 15,000 squares instead of 3,000. He told me he had offered Ogden a quarter of a dollar a square, of one hundred superficial feet, for his influence in obtaining the job for me. I told him it was important that it should be determined as soon as possible. I kept at Frakes every day to know whether or not I had got the contract. I then went to Ogden myself, and we had a conversation about the matter.

Question. What was that conversation ?

Answer. Perhaps I should explain that there have been business transactions between Ogden and myself for the last year and a half, and whenever I could throw work in his way I would do so, and he had promised to do the same towards me, and therefore I thought I was fortunate in my relations with him. We talked the matter over, and discussed the question of price. We first talked about \$3 75 a square. I asked him if there was any use of going to McKinstry at headquarters. He said there was not, as the matter would be entirely in his own hands. I told him then I would not go any further. As he was usually busy during the day, I went to his house one Saturday night. He had told me to come out there. He then said, "To-morrow is Sunday, and I shall be at my office, and will not be bothered by anybody coming in. Come to my office to-morrow, and we will fix up something." I went down there, and found there a man by the name of Bierce, to whom I was introduced. Ogden spoke to me one side, and said "the work would be let to-morrow, Monday, and I want a draft from you." We figured up the work, and ascertained that it would amount to about 3,000 squares. We talked about 25 cents a square going to him. We had talked about \$3 75 a square. I told Ogden that I could afford to do it for \$3 25 a square; and I proposed to him that if I could get that, he might fix it as he

chose. He said, "Fix the bid at \$3 50, and give me a draft for \$700." I said I could not give him a draft. He said he could manage that. He handed to me a form, and requested me to look it over. It was substantially this: "Major McKinstry: Please pay to the bearer, P. L. Bierce, the sum of \$700, against contract for materials furnished." I told him, of course, that if I did not get the contract the paper would be of no force against me. I then signed it. I copied the form which he handed to me, and signed it, and handed it over to one of them, but I do not know whether Ogden or Bierce got it. They were both present.

Question. He wanted you to fix it in that shape so that he could secure the \$700 if you got the job.

Answer. Yes, sir. He did not want to leave anything unsettled. He wanted to secure the money out of the funds which would come into my hands. I think I dated the draft on the 14th, which would be one day after the work would be let, provided it should be let on Monday, as he said it would be.

Question. Did he say how he wanted you to arrange the matter?

Answer. I copied the paper as it was handed to me, but I told him it was dated wrong.

Question. What did he say to that?

Answer. He said that would be all right.

Question. What further was said that day?

Answer. I asked him if he thought I had a good show. He said it would be entirely in his hands. The remark he made was that McKinstry was a man who had his own way pretty much, but that he supposed he would leave this matter with him, and that if he did I would stand nine chances out of ten of getting it. He asked me some questions about my being able to go ahead with the work and completing it rapidly. I told him I could do it; that I had made my arrangements so that I could drive the work as rapidly as anybody.

Question. Did you do anything more that day?

Answer. No, sir.

Question. What happened next day?

Answer. The next day was Monday, and I went out to the camp to see Ogden.

Question. When did you next see him?

Answer. The next day, at the barracks.

Question. What passed between you there?

Answer. He said that nothing had been done; that he could not see McKinstry, and that he, McKinstry, had given Warren until that evening to put in a bid.

Question. When did you next see him?

Answer. The next time I saw him was at the grounds, on the following Wednesday—the Wednesday before we knew that the contract was let—and I told him that I thought that other parties were getting pretty strong men in town to indorse them, and that if he had not perfect confidence in getting the work for me I had better change my arrangement, and with his permission I would change the bid to Henry Clapp & Co., and put Charles H. Pond in as the company, and get some other securities to my bid.

Question. What did he say?

Answer. He said he did not know as there was any use in that, but that I could act my pleasure. He said the work was to be let the next morning.

Question. At what time?

Answer. At nine o'clock. I asked him where I could see him. He said at his house. I went up to see Pond, and we made out a bid in our joint names, and we got McKune to indorse it as our bondsman. That night I went to Mr. Ogden's house. He was not there. I stood awhile outside, and Warren and Ogden came along in a buggy. They went into Ogden's house and remained there until half-past ten o'clock. After Warren went away I went in and told Ogden I had come there to make a change in my bid. He said "I do not know as it is of any use. Warren tells me the contract is given to Thomson; that he had not looked at any of the bids, but that he knew that McKinstry would give it to Thomson, and that he would instruct me the next day to make out a contract with him." I asked him what Warren was up there for, and whether he was interested. He said he did not know. That was the first time I thought he was not acting as a friend towards me. I had before talked with him about dividing up the work, if he had any influence, and of giving it out to two or three different parties, as it could be better done in that way than by giving it out to one person. I asked him if he could not use his influence with McKinstry to divide it. I said I would like 600 or 1,000 squares, as I had the stock on hand, and it would be a very convenient sized job. He said he would try that, and thought he could accomplish it. He said he would get it divided up and give me all he could. I asked him where I could see him the next day. I went, according to his request, to see him the next day, and he then said it was just as he had told me the day before, that Thomson had the whole of the work. When I went into partnership with Pond I told him that I supposed I had agreed to give Ogden \$700. I did not enter into particulars, and though it was given in words to Bierce I supposed it went to Ogden. I had told Pond that I would give him one-third of the profits if he would take hold and help me through with it. After I made that agreement, I suggested to Pond that \$700 would have to come out of the profits before we divided. I told him I had already given a draft for Ogden of \$700.

Question. Did Pond expose this transaction to the public?

Answer. I suppose he did. The first I knew of it was, I was brought up before Major McKinstry one day as I was walking past his office.

Question. Were you arrested?

Answer. No, sir. A gentleman came out and tapped me upon the shoulder, and asked me my name. I told him. He said McKinstry wanted to see me. I did not imagine what it was for. I went into McKinstry's office, and he asked me about three questions, taking me entirely by surprise.

Question. Were there any soldiers about?

Answer. None at that time. The first question he asked me was if Ogden ever demanded of me one dollar or five hundred dollars for getting the contract for the roofing for me. I said as little as I

could, and I told him no, that I did not demand it of him. He asked me if I ever executed a draft to Ogden for \$700. I said no, not to Ogden. He asked me if I executed a draft to anybody. I said yes, that I had executed a draft to a man by the name of Bierce. He asked me who I drew upon. I told him I drew upon him. Said he, "Did I owe you anything?" I told him he did not. He then turned to Pond and said, "Did Clapp represent to you that he had given a draft to Ogden for \$700?" Pond said that he understood me to say so. McKinstry then remarked, "You are an old man, and entitled to be believed; but this young man is a liar, and I will send him to work upon bread and water."

Question. Send you where?

Answer. I do not remember whether it was to the arsenal or to Cairo. I am under the impression it was to Cairo, but it may not have been. Pond said it was to Cairo. At first I did not think seriously about the matter at all, and I said as little as I could. I did not want to expose Ogden. I asked McKinstry if he would allow me to explain the matter. He said, "No, not a word from you. I would not believe anything you say. You have made two different misrepresentations already—one, that you gave a draft to Ogden, and now, that you did not." So he would not let me explain anything. He then called for a file of soldiers to take me off.

Question. What did the soldiers do?

Answer. They filed off. I told McKinstry my wife was entirely by herself, and that when I went home at night I had to carry home what they live upon, and that she had no money to live on during my absence of two or three weeks. I should have remarked that the same morning I had been up to see Thomson, and had been asking him what he was willing to give me if I would come and superintend the work, using my tools and shop. He talked to me about my being a Union man or not. I told him I considered myself one of the best kind of Union men, though I took no particular part in politics. What further remarks I made I do not know. He wanted to know whether I would take the oath of allegiance. I told him I would take an oath to support the Constitution of the United States right straight through every day of my life. Thomson afterwards told McKinstry something in relation to the conversation he had had with me. Then McKinstry said to me, "You are a disunionist." I told him I was not, and that I never had been, and that I was opposed to the government employing secessionists. McKinstry first was going to send me to work on bread and water for a week, but after this conversation he said he would send me to Cairo two weeks on bread and water instead of one. He then drew up a writing, of which the following is a copy:

"St. Louis, *August 23, 1861.*

"Having charged Mr. Ogden, the architect of the government, with fraud in the management of the business intrusted to him by the quartermaster, I hereby revoke said charge and relieve him from the same.

"I hereby swear and declare that I am a good loyal citizen of the

United States, and will do all that is in my power to uphold and protect the same; that I will not, directly or indirectly, give aid or information to the enemy in any manner or form.

“HENRY CLAPP.

“Sworn to and subscribed in presence of—

“S. P. BRADY,

“S. B. LOWE.”

Question. Did you swear to that?

Answer. I did, under the duress which was brought to bear upon me. There were some editorial remarks accompanying it in the paper in which it was published, to the effect that charges of fraud had been made against Major McKinstry and some of the government officials, and having come to Major McKinstry's ears, it had been traced to one Henry Clapp. I told McKinstry I had made no charges against Ogden, and never thought of such a thing.

Question. Did you sign that paper under duress?

Answer. I signed it because McKinstry told me I might either sign it or go to Cairo. I was in a peculiar position at the time, as my family was entirely alone, dependent, and had no place to go to.

St. LOUIS, *October 22, 1861.*

JOHN S. McCUNE, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. Four miles from St. Louis.

Question. What is your business?

Answer. I am president of the Keokuk Packet Company.

Question. Have you had any contract with the government in reference to your boats?

Answer. I have chartered a number of our boats to the government, and have also done a great deal of other work for them.

Question. With whom did you make the contract?

Answer. I made the contract with Bowen, or, in other words, Bowen acted as agent for our company. I made a contract with him, and he went up and made a contract with McKinstry. I authorized him to make a contract at certain rates. He made the agreement, and I had the contract written out to myself as president of the packet company, and went up to see McKinstry about it. He remarked that he had authorized Mr. Bowen, my agent, to go out and hunt him up some boats, and that he had made the contract with Bowen. I said to him that it amounted to the same thing to me, but that this written contract was the regular shape in which I thought it should come. He said that as he had sent Bowen out to get those boats he preferred closing the contract with him—that is, preferred to have the contract come from him, as the agent of the Keokuk Packet Company, to the government. I do not recollect now whether Bowen's name was inserted in the contract as agent or merely as John H. Bowen. I saw

McKinstry twice upon the subject. I consented to his wishes in regard to the contract; in fact, I could not help myself.

Question. What was the price named in the contract?

Answer. It was \$1,500 each for two boats and \$2,000 each for two others per month.

Question. What were the names of those boats?

Answer. The Louisiana and Des Moines were chartered for \$1,500 a month, and the Hannibal City and Warsaw at \$2,000 a month. During the time the Jenny Jeans was used a part of the time in place of the Warsaw. We tried to get both of those last two boats back again, but we could succeed as to only one.

Question. You say the contract was made by McKinstry with Bowen?

Answer. Yes, sir; and Bowen came to me to see about the boats, and wanted to know what I would take for them. He is merely an agent to hunt up freight for our line.

Question. He is not a general agent for your company?

Answer. No, sir. I am the general agent, do all the business, and direct him what to do.

Question. But the contract was made by him at those prices?

Answer. Yes, sir. The boats were put in before I got an interview with McKinstry.

Question. Did you tell McKinstry anything?

Answer. I wrote out the prices myself, and McKinstry signed it. I had Bowen assign the contract to me.

Question. Do I understand, in the first place, that McKinstry made a contract with Bowen?

Answer. Yes, sir; there was no contract made with me at all.

Question. Did you send Bowen to McKinstry or did you go there yourself?

Answer. In the first place, Bowen came to me and said McKinstry had sent him to get a dozen boats to go to Cairo, and I let him have so many of them.

Question. With whom did you suppose you were dealing at that time—Bowen, in his individual capacity, or McKinstry, the quartermaster?

Answer. The fact is I knew I should have to look to the government for my pay in the end in any event. As I said before, I went up to see McKinstry, supposing that after Bowen had come to me to get my price for the boats, and had finally come down to take the boats, the contracts should be made out in the name of the president of the company, at the stipulated prices. So I made out the contracts in that way and asked McKinstry if he would sign them. He said he would not, that he wanted the contract made out in Bowen's name; I told him the boats belonged to the Keokuk Packet Company, and that I preferred to have the contracts made out in their name. He refused to acquiesce in my wishes and I finally submitted. The boats had, at that time, been running in the service of the government some days.

Question. Had Bowen himself any interest in any of these steamers?

Answer. No, sir. He was simply agent to hunt up freight for the company.

Question. At what salary was he in your employ?

Answer. I was paying him \$2,000 a year—that is, in connexion with the Hannibal and St. Jo. road.

Question. Was that the only capacity in which he was acting here?

Answer. Yes, sir.

Question. Was he a man of any means?

Answer. His means were very limited.

Question. Was he a man who could command boats in the market here, on his own responsibility.

Answer. No, sir.

Question. What did he say to you when he came to see you about the boats?

Answer. He said "the government wanted a lot of boats to go to Cairo. How many can you spare." I told him I had already let the government have one and that I could spare two more. He insisted upon my letting them have three more. I told him that I would in a few days.

Question. What was said between you and him as to the compensation for the boats?

Answer. He asked me what I would take for them. I told him that I would take \$1,500 a month for the Louisiana, but for the Des Moines I should ask more. He insisted on having her for \$1,500, and I finally consented that he might have her for that price. For the other two boats I charged \$2,000 each a month. He said he ought to get them for \$1,800. I told him the boats should not go at that price; that the governor of Illinois had written to me about getting boats for the purpose of transportation from Quincy, and that I had placed a boat up there at his service and had charged for her at the rate of \$2,000 a month; that I had never chartered those boats for less, as they had cost me \$60,000 a piece. He said nothing more about it and went off. But before he went to see McKinstry he said he would take the boats at that price. I then told him to go and see McKinstry and see if it was all right, before the boats went off. He replied that I could depend upon it that it was all right, because, said he "if I tell him it is all right, and that the boats are worth that sum, he will consent to the contract." I told him to go and see whether it was all right. He went away and returned saying it was all right. Consequently I put in the boats to the government at the prices I have named.

Question. How soon after that did you make out the written contracts?

Answer. I had them prepared the next day, and went up to see McKinstry three or four times, but his office was overrun and I could not get anything done. I did not get the contracts signed until two or three weeks after that.

Question. Who wrote the contracts after McKinstry told you he preferred to have the contract between himself and this man Bowen?

Answer. My secretary, Mr. Mullegan, the same one who wrote the first contracts.

Question. How soon after that?

Answer. That day, I think. I told him to write out those contracts, as I was going to have them signed immediately. I was somewhat out of humor, as I could not get the thing settled, and the boats had been in use for two weeks.

Question. Did you ever make any other offer to McKinstry of these or any other boats for the government service?

Answer. I never had any interview with McKinstry directly or indirectly, except as I have already stated.

Question. Did you make an offer to him, or to anybody else for the government, of those boats at any other price?

Answer. No, sir. Neither directly nor indirectly.

Question. Did you not make an offer of those boats to McKinstry on some other business for the government at less price?

Answer. I told you I did not—neither to McKinstry nor anybody else. Your judgment will dictate to you that I could not have done so, as I paid \$60,000 for each of the boats, and they will not last more than five or six years.

Question. Have you received your pay for them?

Answer. I think I have received my pay for the Louisiana for her first month.

Question. But that was for services performed before this contract was made.

Answer. Yes, sir; but under a contract made in the same way and under the same circumstances.

Question. Did you have a written contract with the government for that?

Answer. Yes, sir.

Question. Was that contract made between you and the government?

Answer. No, sir; but made between Bowen and the government.

Question. So you understood all about this go-between business when you went up the second time?

Answer. No, sir; I did not presume that these other boats would be placed in Bowen's name.

Question. What conversation was there between you and McKinstry about the first boat?

Answer. None; Bowen came down to see me about the boat.

Question. Who drew the contract for the first boat?

Answer. I did.

Question. Was it first drawn in your own name?

Answer. I think I first blocked it out in pencil, to show to my secretary what I wanted done; Bowen came in after a little while and said it might be made in his name; I hesitated a while and finally consented that it should be done so.

Question. Why did he state that the contract should be made in his name?

Answer. He said that he had made a contract with McKinstry, and that he wanted it in his name.

Question. What reason did he give for that?

Answer. I think the reason he gave was that McKinstry desired the contract to be in Bowen's name.

Question. Did you ask him what difference it would make with McKinstry whether it was in Bowen's name or yours?

Answer. Yes, sir; I asked him and McKinstry both.

Question. What did Bowen say?

Answer. He said he had no interest in having the contract made out in his name, except that McKinstry had employed him to do a good deal of work for him, and to make purchases and bargains.

Question. Why would that render it necessary to have these contracts made out in Bowen's name?

Answer. I do not think it made it necessary.

Question. What was his explanation of it?

Answer. He said McKinstry preferred to have it so.

Question. Did you ask him why McKinstry preferred it.

Answer. Yes, sir.

Question. What did he say?

Answer. He said he was doing work for McKinstry, and that McKinstry preferred to have the contracts made in his name; there was another reason, which I had forgotten until this moment; Bowen said "McKinstry does not think you are entirely sound on the goose;" says I "What does he mean by that?" "He says he does not think you are exactly loyal." I told him that if McKinstry really believed that I would like to know why he believed it, and that I should go up and see him.

Question. Then, to obviate the difficulty arising out of your disloyalty, it was proposed that your boats should be hired through Bowen.

Answer. That was what Bowen said to me.

Question. And that he gave as a reason.

Answer. Yes, sir.

Question. What reply did you make to that?

Answer. I told him I must see McKinstry about it.

Question. Did you see him?

Answer. No, sir; Bowen then said that McKinstry had said that in a jest, and that it was all right.

Question. Did you then ask Bowen to give you some reason that was not a jest?

Answer. No, sir.

Question. Did you ever confer with McKinstry upon the point why your boats should be hired in the name of an irresponsible drummer.

Answer. No, sir.

Question. When did you get the first contract into your hands?

Answer. I think between one and two weeks after they got the boat.

Question. That was drawn up in Bowen's name?

Answer. Yes, sir.

Question. Who took it up to McKinstry?

Answer. William Mullegan, my secretary.

Question. Was it brought back to your office?

Answer. Yes, sir.

Question. Was it executed in the name of Bowen?

Answer. Yes, sir.

Question. Then as the paper stood it would appear that Bowen had chartered to the government the steamboat Louisiana for a certain time.

Answer. Yes, sir.

Question. Had he a particle of interest in the boat?

Answer. No, sir.

Question. Had he any contract with the owners of the boat at that time?

Answer. No, sir.

Question. When you got that contract what did you do?

Answer. I got Bowen to transfer it to us.

Question. How soon was it transferred to you?

Answer. As soon as he got it.

Question. Did he receive any compensation for that service?

Answer. None that I know of.

Question. Did he receive anything from your company beyond the salary he previously had as freight drummer?

Answer. I was paying him, as I told you, \$2,000 a year; I then told him that business was getting very dull; that he was losing a good deal of time from our business, and consequently that I could not pay him so much; he urged that as he was chartering the boats and giving to our business what attention he could, I ought to continue to pay him \$2,000 a year; I told him I could not; I had thought to cut him down to \$1,000, but considering that he was instrumental in chartering the boats, and that he devoted a part of his time to our business, I concluded that I would give him \$1,500 a year instead of \$2,000.

Question. Have you paid him anything beyond the wages he was to have?

Answer. No, sir.

Question. Have you intimated to him that he should have anything more than that?

Answer. I said, emphatically, to him that I would not pay him \$2,000 a year. He said he would like to have me pay him the \$2,000, because when he was not engaged in one thing he was in another—such as chartering the boats.

Question. What were the terms of the charter of the Louisiana the first time?

Answer. The same as upon the last occasion.

Question. Was there any offer of the Louisiana at any other time, at any other price?

Answer. I had asked \$1,800, and I had got that before, but I thought if I should put her in to the government at \$1,500 a month she would probably remain in the service for some time. Under the circumstances, therefore, I thought I would let her go at that price.

Question. Then you say that Bowen has never received from you or your company the slightest compensation for his services in chartering the boats.

Answer. No, sir; no further than I have stated.

Question. You thought for these extra services you would give him \$1,500, instead of \$1,000 a year.

Answer. Not exactly that; but our business since I came to that determination had improved in the freight line, had improved a little, and as he had more to do than in July, when I had told him that, I thought I would give him \$1,500.

Question. After this contract for the charter of the Louisiana had been made in the name of Bowen, suppose he had refused to transfer the contract to you, would there have been any remedy?

Answer. If he had refused, I should have entered a complaint and raised a fuss about it.

Question. Were you not entirely at his mercy?

Answer. Entirely so; and that is the reason why I disliked to do business in that way, and why I protested against it.

Question. You say you went up to McKinstry's office to see about this second contract.

Answer. Yes, sir.

Question. Did you inquire of McKinstry what it meant?

Answer. No, sir; but I told him I had brought contracts with me—I do not think I showed them to him—for chartering those boats, and that I wanted to get them signed. I told him I had drawn them up as between our company and the government. He said he would rather have them made out in Bowen's name, just as the other one was. I told him it was proper that the contract should be made with the company. He said that as it made no difference to me, and as he had sent Bowen out to get the boats, he preferred that the contract should be in his name.

Question. Did you tell him that Bowen had no interest in the boats?

Answer. He understood that from our conversation.

Question. Did you tell him you represented the owners of the boats, in your capacity as President of the company?

Answer. No, sir. It would have been idle to tell him that, as he had often seen me at his office, and knew my relations to the company.

Question. How did you get your pay for the first services of the Louisiana?

Answer. I got it by making out a bill against the government and having Bowen receipt it. I think he receipted it. I directed my secretary to go and settle the matter. I believe he had Bowen receipt the bill. We then took it up to McKinstry's office to get the money on it.

Question. For how many days' services?

Answer. I do not now remember. Mr. Mulligan went up repeatedly to try to collect the bill, but did not succeed. I think he then gave Bowen the bill, as he could not collect it.

Question. What was the difficulty?

Answer. There were two or three reasons. There were, in the first place, so many persons there to be served; and in the second place, there did not appear to be any money. I certainly sent Mulligan up there a dozen times, when he could not get in. I finally complained to Bowen that the money could not be got, and that there was nearly

another month's charter money due. After that Mulligan gave the bill to Bowen and Bowen got the money.

Question. What did he do with the money?

Answer. He paid it to us.

Question. The full amount of the earnings.

Answer. Yes, sir. Previous to that he had borrowed a little money from us, and I made some fuss about it, and he finally came and paid that too. Then it was that I inquired about whether he had collected that bill, or not. He said that had been collected. I believe, however, he only paid to my secretary a part at one time, and afterwards paid the remainder.

Question. Has he paid the full sum?

Answer. He has.

Question. How much was it?

Answer. If it was for one month's services, it was \$1,500; if for two months, \$3,000.

Question. Which was it?

Answer. I cannot recollect.

Question. When was that money loaned to Bowen, of which you spoke?

Answer. About the time of the chartering of the Louisiana.

Question. How much was it?

Answer. About \$2,000.

Question. Did he give you a note?

Answer. No, sir; it was a loan on call.

Question. Did he give you any security?

Answer. No, sir; he was buying something for the government, I think, and he borrowed the money from me for that purpose. That was a little while after the Louisiana was chartered.

Question. And that was the sum you made a fuss about to get back

Answer. Yes, sir.

Question. Do you know about what time he paid any of the earnings of the Louisiana?

Answer. I think he paid the borrowed money first.

Question. How soon after did he pay the other?

Answer. A short time after.

Question. Did he pay it all at once?

Answer. No, sir; he paid the borrowed money a thousand dollars at a time.

Question. Did he pay the earnings of the Louisiana all in at once?

Answer. I think he did.

Question. The bill was sent to him to collect?

Answer. Yes, sir.

Question. Did he come back immediately with the money, or was he permitted to carry it a while?

Answer. He first said he could not collect it. Then he took it a second time, and again a third time. Finally, I told the secretary to get the bill, and go and see if he could not get it, telling him that if he could not, I would go myself and look into the matter. In the course of a day or two he saw Bowen, and Bowen had collected the

money. You asked me if he paid me at one time. I should have said that I could not tell.

Question. Nor are you able to tell whether it was one or two months' services?

Answer. I cannot tell. I know we made out one bill, and we were a long time trying to collect it. We may have made out a second bill before the first one was paid.

Question. Do you know whether all the earnings of the Louisiana, as paid by the government, have reached your coffers?

Answer. I presume all that has been collected has.

Question. What reason have you to believe that all the money paid by the government for the Louisiana has got into your treasury?

Answer. My reason for thinking so is that our clerk is very particular about those things, and if it had not been paid he would have informed me.

Question. Is there any understanding between you and Bowen, or between you and McKinstry, or any person, that any other persons shall have any share of the earnings of that boat?

Answer. So far as we are concerned we expect to get \$1,500, and we are not going to pay anybody any part of it. If Bowen gets any more we have nothing to do with it, and know nothing about it.

Question. What reason have you to believe that he gets anything more?

Answer. I do not believe that he does. I say, if he does, I know nothing about it.

Question. How can he get any more if the contract is with you for a certain sum?

Answer. I do not see how he can. Fifteen hundred dollars is what we are to get.

Question. Have you any knowledge of any arrangement by which any money paid by the government for the use of the boat Louisiana is to go to any one other than the Keokuk Packet Company?

Answer. I have not.

Question. Has there been any understanding of that kind to your knowledge?

Answer. No, sir; none other than I have already explained to you in reference to the salary of Bowen. There is nothing else directly or indirectly.

Question. Was there any reason whatever why the government should not have contracted directly with you for those boats?

Answer. None that I am aware of.

Question. Could they have contracted with you directly upon any other terms?

Answer. No, sir; I would not have taken a dollar less than I agreed with Bowen to take. I had fixed upon that price, and I had contracted with other parties in Illinois at the same price, except in reference to the Louisiana.

Question. Have you any knowledge of what the boat was put in to the government for by Bowen, for those two months' services?

Answer. I should have to guess at it.

Question. Have you no knowledge in reference to what he has charged the government for the boats?

Answer. I have not. The contract for the boats stand in his name.

Question. You do not know but that the boats are charged by him to the government at twice as much as appears in the contract?

Answer. I do not.

Question. Is there anything in the way of such an arrangement between him and the quartermaster's department?

Answer. Yes, sir. I think that contract with the government, and which has been assigned over to me, would be in the way. I do not see how he could collect out of the government more than \$1,500.

Question. What is in the way of a contract between Bowen and the government agent?

Answer. How could the government agent get the money, when I have the contract?

Question. Could there be any other inducement on the part of McKinstry to make an arrangement with an irresponsible man outside, for your boats, except that there might be some private understanding between the two as to compensation?

Answer. It first appeared to me as if there must have been something of that kind.

Question. Can you give any other reason in the world why the government agent should insist upon making his contract with a third irresponsible person for your boats, except that there might be some private understanding between them as to their earnings?

Answer. No, I cannot; and, hence, as I told you, that was the reason why I went up to see McKinstry. I cannot give you any other reason for the transaction.

Question. Are you one of the officers of the Hannibal and St. Joseph railroad?

Answer. No, sir.

Question. Has that road been engaged in transporting supplies for the government?

Answer. Yes, sir; pretty largely.

Question. Can you tell me what are the arrangements between that road and the government in reference to those services?

Answer. I cannot tell you much about it.

Question. The road is transporting for the government a large amount of troops and supplies?

Answer. Yes, sir; an immense amount.

Question. Have they received their pay for those services?

Answer. They say they have not.

Question. Do you know how much is due them?

Answer. They say eighty or a hundred thousand dollars.

Question. Do they charge the government for the transportation of freight and munitions of war?

Answer. Yes, sir.

Question. Did that road receive a grant of public lands?

Answer. Yes, sir.

Question. Was there not a stipulation in the grant that they should do the business of the government without charge?

Answer. I do not know.

Question. With whom did they make the contract for carrying those troops and supplies?

Answer. At this point the contract would be made with McKinstry for sending up freight, and after for sending up horses. For services at the other end of the road they make the contract there.

Question. Where can the committee ascertain the terms of such contract or contracts?

Answer. I do not think the contract is in writing. The general superintendent of the road has been here for a week or two, trying to get some money, but he has not yet succeeded. So, I suppose they have collected very little. I think that is true, for we have been transporting for the government since May, and have collected but very little.

Question. Do you know whether they have not received their pay for the reason that the grant of land to aid in the construction of the road was given on express condition that all troops, arms and munitions of war, should be transported over the road free; or for the reason that there is no money to pay with?

Answer. I believe it was on account of there being no money.

Question. Did Haywood, the superintendent of the road, know that the grant was made upon that condition?

Answer. I do not know. I have had no conversation with him upon the subject, and really I have not thought of the matter before. This is the first time the subject has been brought to my mind.

Question. Have you stated to any person that you have offered boats to McKinstry at a certain price; that he referred you to third persons, and that they took the boats and turned them in to the government at nearly double your prices?

Answer. I have made no such statement, and I never heard of such a thing before, and it is untrue, if so reported.

Question. When McKinstry stated to you that the contract for these boats must be made in the regular course of business, and in Bowen's name, was the manner in which the contract was made according to the regular course of business, or was it irregular and prejudicial to the government; and was it the regular way to make a contract with an irresponsible third party who had not a particle of interest in it, and who owned none of the property?

Answer. I should think it was entirely irregular; but as to the matter of prejudice to the government I can only say that in this instance the government only pay me what the boats are worth. The government would be running some risk in that way of doing business.

Question. The regular way of doing that business would have been to have made the contract directly with you?

Answer. Certainly; that would have been not only the regular but the proper course.

Question. Why did you suggest to Bowen that you could not pay him the full salary you had previously paid him?

Answer. The reason I assigned was that he was giving us but a very small portion of his time, and that business was very dull.

Question. In what manner was his time engaged?

Answer. I referred to his being engaged in filling contracts with McKinstry for the government.

Question. What contracts?

Answer. Contracts for furnishing horses. There were several horse and mule contracts in which he was engaged, but whether there were any other contracts I cannot say.

Question. Then he had been engaged in making other contracts with McKinstry besides this beef contract?

Answer. Yes, sir; I think horse and other contracts. Phillips, one of my clerks, came to me and wanted to know whether he could fill a contract with McKinstry for furnishing horses. I told him to ascertain what price he could get from McKinstry, and then I would tell him whether he could do it. He brought me the price, and after looking at it I told him he could do it. He had no money, and I told him I would loan him a certain amount. I did so that he might be enabled to fill his contract. After I had loaned him the money, and he had purchased most of the horses, he told me that Pease and Bowen claimed a part of the profits. I told him if I had known that before I would not have loaned him a single dollar; that it was all wrong, and that I had given the money to him for his own personal benefit; I was running a good deal of risk, and I told my secretary to charge him nothing except the ordinary interest on the money while it was out. So I found out after I had furnished the money that Bowen was interested in that contract. Phillips is entirely reliable, but Bowen has rather a second place reputation.

St. LOUIS, *October 22, 1861.*

THOMAS HOOD, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a blacksmith.

Question. Have you made any picket-pins for the government?

Answer. I have not.

Question. Did you propose to make any?

Answer. I did.

Question. At what price?

Answer. On the 19th of April I proposed to make 200 iron picket-pins at 25 cents each.

Question. To whom did you make that proposal?

Answer. To Major McKinstry. The following is a copy of the proposal:

“St. LOUIS, *Missouri, April 9, 1861.*

“I propose to furnish the following articles, as per requisition of the 6th of April, 1861:

“200 iron picket-pins, at 25 cents each.

“50 wagon hammers, at 35 cents each.

“ 50 king bolts, at 90 cents each.

“ 50 tongue bolts, at 40 cents each.

“ Yours, very respectfully,

“ THOMAS HOOD.

“ Major McKINSTRY, *Brevet Major, A. Q. M.*”

Question. What was done with your proposition?

Answer. I sent it to Major McKinstry.

Question. Did you hear from it afterwards?

Answer. No, sir.

Question. Did you afterwards furnish any picket-pins for the government?

Answer. No, sir.

Question. Do you know of anybody that did?

Answer. Yes, sir.

Question. Whom?

Answer. Child, Pratt & Fox, of this city.

Question. Do you know of other parties making pins for the government under the contract of Child, Pratt & Fox?

Answer. Child, Pratt & Fox had the contract, and other parties made the pins for them.

Question. At what price did those parties make them for Child, Pratt & Fox?

Answer. I cannot testify from positive knowledge, but only from hearsay.

Question. Could you have made them for 25 cents each?

Answer. Yes, sir.

Question. Do you know what Child, Pratt & Fox got for those they furnished?

Answer. I do not.

Question. Who made them for Child, Pratt & Fox?

Answer. Pauley & Brother.

Question. Do you know how many they made?

Answer. One order they had was for 5,000; but I do not know whether or not they filled the order.

Question. Are they still making them?

Answer. They were up to two or three days since.

Question. Did you accompany your bid with a specimen?

Answer. I did.

Question. Have you seen those made by Pauley & Brother?

Answer. Yes, sir.

Question. How do they compare in quality with those you offered to McKinstry for 25 cents each?

Answer. I would rather other parties should answer that question.

Question. What is your own opinion upon it?

Answer. I think mine are worth 25 cents more than theirs.

Question. Were yours heavier and better made?

Answer. Mine were longer than the ones I saw there.

Question. Did you at any time put in any proposition to make any other articles?

Answer. Yes, sir.

Question. What articles?

Answer. Those contained in that proposition which I have shown you.

Question. Do you know of McKinstry obtaining from any other source wagon hammers?

Answer. I do not.

Question. How came you to put in that proposition?

Answer. Because there was an advertisement for proposals published in the papers of April 6, and I put in the proposition in conformity to the advertisement.

Question. Do you know what other bids were put in under that advertisement?

Answer. I do not.

Question. Did you make any other proposition at any other time?

Answer. Yes, sir.

Question. What was it?

Answer. It was a proposition in conformity to an advertisement in the papers of March 26, 1861. It was for 400 swivel picket-pins, for 55 cents each, and 400 plain pins, at 35 cents each.

Question. What was the result of that proposition?

Answer. I heard nothing of it.

Question. Do you know of the government procuring those articles?

Answer. I do not.

Question. Did you make any other proposition at any time?

Answer. Yes, sir.

Question. What?

Answer. I made a proposition to furnish crowbars and drills, in conformity to a requisition of August 1, 1861.

Question. How many?

Answer. Twenty-nine crowbars and twenty-nine drills.

St. Louis, October 22, 1861.

FRANCIS H. G. HAFKEMEYER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am in the carpet business.

Question. Have you had any contracts of any kind with the government?

Answer. No, sir.

Question. Have you had any conversations with any persons who have had contracts with the government?

Answer. No, sir.

Question. Have you had any conversation with Pease?

Answer. No, sir; but I saw him at the time he received some money from the government at McKinstry's office.

Question. When was that?

Answer. About three weeks ago.

Question. Was it before McKinstry left the quartermaster's office, or afterwards?

Answer. It was after McKinstry left. I think he left the day previous to this transaction.

Question. What did you see?

Answer. I saw Pease receive at the quartermaster's office some money, but how much I cannot say; but, from the figures I saw upon the papers, there appeared to be upwards of \$79,000.

Question. What papers?

Answer. The cashier of McKinstry (Wm. Hahn) had a lot of bills and a piece of paper, upon which the bills were enumerated and summed up, and they amounted to some \$79,000 and upwards. I do not know exactly how much more. The cashier counted out to him money in thousand dollar packages, in Missouri money, as I judged from the outward bills; and which packages he took out of a safe which he had there. Without counting them, Mr. Pease packed them up in a newspaper, and tied his handkerchief around them—in fact, he was very nervous and could hardly do anything. He seemed hardly to know what he was doing. As I knew Pease, it struck me very forcibly that he was very much excited. It struck me that the amount was very large. I was in the office for the purpose of collecting some money for one of the manufacturing concerns which Quartermaster McKinstry had started here to make up government work—that is, flannel shirts. In fact I was at that time superintending and managing that business.

Question. Did you have any conversation with Pease at that time?

Answer. No, sir.

Question. How large was this bundle of money?

Answer. It was about nine or ten inches in height; perhaps more than that—a very large bundle. Some of the outside bills which I saw were hundred dollar bills, and hence it was that I stated I thought the cashier counted out the money in packages of a thousand dollars. I thought they could not be anything less than that. I should think the money was in bank packages. Mr. Pease did not count them.

Question. Were there 79 of those packages?

Answer. I should suppose there were about \$79,000; and the reason I think so, aside from the size of the package, is, that the cashier had a paper in his hand in which there was apparently an enumeration of bills, and the casting up was somewhat over \$79,000; and that I supposed to be Hahn's memorandum of the money paid.

St. Louis, October 22, 1861.

JAMES DOUGHERTY, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am in the carriage business.

Question. Do you know anything about a lot of government wagons lying here in St. Louis?

Answer. There is a lot of wagons lying at or near the depot of the Terre Haute and St. Louis railroad.

Question. How many are there?

Answer. Some fifty-five.

Question. What is the character of those wagons?

Answer. They are everything you could name in the shape of a wagon that is rough. They are two-horse wagons, some of which seem to have been used and some not. Some of them have never been painted and some of them have. Some of them were built for show wagons and some for manure wagons. There were originally two hundred and twelve of them.

Question. Where are the others?

Answer. We have given them out, upon the orders of Bradshaw and McKinstry, until there remains now only fifty-five.

Question. Did you distribute them out as they came?

Answer. Yes, sir. Those that remain are an average of the whole lot.

Question. Are they of any value to the government?

Answer. I should suppose they would not amount to anything. I would like to make a contract to make such wagons at \$50 apiece.

Question. Where did they come from?

Answer. That is more than I can say. I was acting for my brother as wagon inspector, and he never received any bills of them.

Question. Did you inspect those wagons?

Answer. We did, and made a report upon them.

Question. What did you report?

Answer. That they were a very bad lot of wagons.

Question. Where is that report?

Answer. I gave it to McKinstry's chief clerk, Clements.

Question. What were the particulars of the report?

Answer. We reported that they were a badly finished lot of wagons, and incapable of being used for the transaction of any business. We condemned the wagons as unfit for service or general use, and fit only to be used anywhere except in a city where they could be repaired at any time.

Question. Have you any idea of what the government paid for those wagons?

Answer. I have not.

Question. What was the government paying for wagons previous to that time?

Answer. We never had any transactions in wagons here previous to the arrival of those. Major McKinstry appointed my brother inspector of the wagons which came here; to see that they were put together as they should be, and to report upon every one of them. There has not been a wagon come here which we have not repaired or put together right, and we have reported to McKinstry straight up and down.

Question. Do you think your brother has made correct reports?

Answer. Yes, sir; I think he has. We made eight hundred linchpins and put into the Indiana wagons which came here, because those which were in were so loose that they would not stay in.

Question. Where were those wagons bought?

Answer. I think they were bought up by a lot of men who went in for a speculation—a sort of relief committee.

Question. Did those men belong here?

Answer. I cannot tell.

Question. Do you understand that the government paid for those wagons?

Answer. I do not know whether they have or not.

Question. Why were you called upon to inspect them?

Answer. Because my brother was here, and he was obliged to inspect every wagon.

Question. Who directed your brother to inspect those wagons?

Answer. Major McKinstry.

Question. Are you a wagon maker?

Answer. Yes, sir.

Question. And you are a judge of the value of wagons?

Answer. Yes, sir.

Question. What is your opinion of the value of those wagons for the use for which the government needs them?

Answer. I think that fifty dollars each would be a good price for them.

Question. Do you think they are worth that?

Answer. I think they might possibly be worth that much.

Question. You, as inspector, condemned them as unfit for service?

Answer. My brother did, and as fit only to be used about town.

Question. State to the committee whether you brought a note here from the quartermaster's department.

Answer. Yes, sir. Captain Turnley handed it to me.

The following is a copy of a letter of the assistant quartermaster in reply to a note addressed to him by the committee in reference to the above wagons:

OCTOBER 22, 1861.

The bearer of this, Mr. Dougherty, who has been *especially* engaged in receiving, putting up, and inspecting *all* wagons arriving at this depot during the last summer and up to the present date, will appear before the committee and give all information. Records (other than his) are on file to furnish any information.

Very respectfully,

P. V. TURNLEY,

Assistant Quartermaster.

For Major ALLEN,

Quartermaster.

St. Louis, *October 22, 1861.*

JAMES H. McCORD, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. In St. Louis.

Question. What is your business ?

Answer. I am one of the board of inspectors under the steamboat law.

Question. Have you had any contracts with the government ?

Answer. No, sir.

Question. Are you acquainted with any parties who have chartered boats to the government ?

Answer. I know that boats have been furnished to the government here.

Question. Who, upon the part of the government, is the party chartering the boats ?

Answer. I have understood that it is Captain Abel.

Question. Did you ever have any conversation with Captain Abel about the matter ?

Answer. No, sir.

Question. What boats have been chartered for the government through Captain Abel ?

Answer. My impression is that nearly all the transportation boats now in use by the government were chartered by him.

Question. Do you know that any parties who have chartered boats to the government have paid a certain amount of money for the purpose of having their boats retained in the service of the government ?

Answer. No, sir.

Question. Did you ever hear any parties say that they had paid money for that purpose ?

Answer. Never.

Question. And you have never told any one you had heard that ?

Answer. Not to my recollection. I have heard a general remark that the expenditures in that department were very large.

Question. Did you ever hear that \$150 had been paid to any party in the employment of the government for the purpose of inducing him to keep a certain vessel in the service of the government ?

Answer. I was in the district attorney's office, and I heard some such remark as that, but I do not think I can state distinctly what it was. It was upon that subject.

Question. Have you not said to some person that you had heard of a case where \$150 was paid for that purpose ?

Answer. I was going to say that I was one day in Mr. Rankin's office on business, and other parties were present, and in a conversation which then and there occurred that fact was mentioned.

Question. What other party was present ?

Answer. I think it was Robert Thornburg.

Question. Was he the person who was talking about the matter ; did he make the assertion ?

Answer. I think he did.

Question. Did he say he knew it was so?

Answer. I do not know that he said that he knew it, but I think the statement came through him.

Question. Have you heard any other person make the same statement?

Answer. I do not know that I recollect of hearing anything else about it, except what I heard at that time and upon that occasion?

Question. When was that?

Answer. Three weeks, or more, ago.

ST. LOUIS, *October 22, 1861.*

EDWARD M. DAVIS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. I reside at General Frémont's headquarters.

Question. What is your official position?

Answer. I am assistant quartermaster.

Question. A member of General Frémont's staff?

Answer. Yes, sir.

Question. What is your official duty there?

Answer. My duties are those which pertain to a quartermaster; as incidental to my duties, I do whatever comes up.

Question. Do you have the disbursement of the funds?

Answer. Yes, sir; I have the disbursement of funds for purposes immediately around headquarters; I pay the rent of the houses, the salaries of the clerks, and the transportation of such merchandise as they happen to order through me.

Question. Can you give us some idea of the expenses of your department?

Answer. I can do so only by bringing you my cash book.

Question. Could you tell us the amount of expenditure upon those barrack which are built for the accommodation of General Frémont's body guard?

Answer. I cannot. They would properly come under my supervision, but an order for building them was given by General Asboth to Major Kappner, and hence the expenses never passed through my hands at all. But I paid some money to that major by order of General Frémont.

Question. How much?

Answer. Only some twelve or fifteen hundred dollars.

Question. How many houses are rented in connexion with headquarters?

Answer. I think there are seven. I have the leases of them, with the rents of each, which I can furnish the committee.

Question. Can you not give the rents from memory?

Answer. I can, some of them. The first is the house of Mrs. Brant for which we pay \$500 rent a month. Another house I rented for \$300 a year. In reference to the others, I cannot state from memory.

Question. What is the aggregate amount of rent per month of all the seven houses rented?

Answer. I think it is twelve or thirteen hundred dollars.

Question. Have any materials for the army been received at your quarters, and sent from there to the quartermaster's department?

Answer. I do not know that there have been anything more than two or three items sent to me, not to be delivered until paid for, but they got into the quartermaster's department before I got control of them, and some of them have been distributed.

Question. What articles were they?

Answer. Shirts and drawers.

Question. Was there also a quantity of blankets?

Answer. No, sir. There were some blankets purchased by me at an early day.

Question. Was there a quantity of blankets condemned by a board of survey?

Answer. Yes, sir.

Question. Were they sent to the quartermaster's department by you.

Answer. Yes, sir. The goods, which were part cotton, were purchased by me.

Question. Who were they from?

Answer. They were bought in Philadelphia, of my son, Henry C. Davis. He bought them of Stewart & Brook and of Geo. D. Parish.

Question. How many were there?

Answer. I think twelve or fourteen thousand dollars worth. I think there were between three and four thousand blankets. The blankets were part cotton, and were really in themselves not very good; that is they were not as good as all wool blankets would be, weighing eight pounds to the pair. When they were brought here, being directed to General Frémont, they went to the arsenal, and when I stated to Major McKinstry that I could not distribute them; that I had no means of doing so; that I wanted him to distribute them and receipt the pay for them, he ordered them to be taken down to the storehouse. In a few days word was sent to me that the blankets were rotten. I was very much surprised and thought it impossible, for I knew they had been bought of respectable people. A board of survey, consisting of three officers, were appointed, and they condemned the blankets as being rotten—I think that was the word they used—and as not fit to be distributed to the army. Of course I felt badly about it; and I made representations to General Frémont as to what I thought to be the truth of the matter, and I begged him to have some merchants, who were acquainted with such goods, examine them. While he had the matter under consideration, I of course was writing to Philadelphia about the thing. Mr. Stewart appointed Robert Campbell to represent his interest; and Mr. Parish sent out his nephew to represent his interest. But before the matter came to arbitration, the board of survey begged the privilege of re-examining the goods, and that request the general granted. Upon the re-examination, the board of survey sent for me to be present.

Question. Which member of the board of survey begged the privilege of re-examination?

Answer. I think it was Captain Turnley. He came to me and said he thought there was a misapprehension in regard to the matter, and that he would like to examine the blankets again. The fact is they made a mistake, and were disposed to get out of it the best way they could, and I was disposed to let them do it.

On examination, I found that the blankets they condemned as rotten were the outside blankets. There were three bales of the blankets which were pretty common. Wool and cotton cannot be as well and as strongly put together as wool and wool, and cotton and cotton. They were rather poor, and in pressing the board to the real issue, I found the real difficulty was that the goods were not good enough to distribute; that, in the sense in which commercial men used the term, they were not "rotten" and that all of them were commercially good. The board, on re-examination, decided to receive and distribute them; but, instead of distributing one blanket to a soldier, they distributed a pair, and that pair costing less than a single good blanket.

Question. Do you say that the board, as a board, accepted them?

Answer. Yes, sir.

Question. Have you a copy of their second report?

Answer. No, sir; I have no copy of either.

Question. Have you ever seen it?

Answer. No, sir.

Question. What was the price of the blankets?

Answer. They ranged from \$2 60 to \$3 80 a pair.

Question. What is your son's business in Philadelphia?

Answer. A clerk in the store of H. Robinson & Co., wool merchants.

Question. What is his age?

Answer. About 22.

Question. Were the blankets sent on here upon a requisition from this department?

Answer. They were sent on in consequence of an order given to me by General Frémont, samples being here on hand.

Question. By whom were those samples sent?

Answer. By my son.

Question. Have the blankets been paid for?

Answer. Yes, sir.

Question. When did this transaction take place?

Answer. I think it was early in August.

Question. Have you any relative in the government service?

Answer. My brother, Morris Davis, is a member of Congress from the 5th district in Pennsylvania. That is all.

Question. Was your son to get any commission for purchasing them?

Answer. He was not to get any commission, but he did get a commission. I sent the order to him because I thought he could make a profit as well as anybody else in the matter.

Question. What profit did he make?

Answer. I do not know.

Question. You say you sent General Frémont's requisition to him?

Answer. Yes, sir ; to purchase by him.

Question. Then the goods were not his ?

Answer. No, sir ; the goods he purchased. He went out into the market, found samples, and sent them to us at such figures as he was willing to sell them.

Question. You obtained the requisition from General Frémont before your son went out into the market and got the samples ?

Answer. No, sir ; I did not know anything about it until he had samples here at our headquarters.

Question. And then you sent to your son to purchase that amount of goods ?

Answer. Yes, sir.

Question. Have all the blankets been distributed ?

Answer. I think they have.

Question. Did you have any conference with any other member of the board of survey except Captain Turnley ?

Answer. Only while they were in session.

Question. From whom did you learn that the board requested that they should have an opportunity to reassemble ?

Answer. Captain Turnley.

Question. Where were the blankets distributed ?

Answer. I do not know.

Question. Do you know where they have gone ?

Answer. I do not.

Question. Did you feel any interest in having the blankets inspected ?

Answer. No other interest than that I thought the blankets were cheap.

Question. If they had not been received your son would not have got the commission ?

Answer. If they had not been received, and there had been any loss, he would have had to sustain the loss.

Question. And under such a state of facts you felt no other interest in having the blankets inspected than you have mentioned ?

Answer. I felt no other interest, except that my character was reflected upon by the imputation of putting rotten blankets upon the army, when I knew they were not rotten.

Question. You felt an interest in preventing your son from losing money ?

Answer. Of course I should feel that.

Question. Has your son made any other purchases for the government ?

Answer. I think he bought a few shirts and a few drawers—the articles I alluded to as going into the quartermaster's department—and which were sent not to be delivered until paid for

Question. Has he collected the money for those ?

Answer. They have not been paid for yet.

Question. Has he got a voucher from the government for them ?

Answer. They have been received, and what is called a store-keeper's receipt is in my possession.

Question. Are the drawers and shirts now in your possession ?

Answer. No, sir ; they have been distributed.

Question. What evidence has your son of the indebtedness upon the part of the United States for those articles ?

Answer. Evidence that they have been received by the quartermaster's department, and been distributed.

Question. Has the bill been rendered by him to the government ?

Answer. Yes, sir.

Question. What price was paid for the articles ?

Answer. Nine dollars a dozen for the drawers, and twelve dollars a dozen for the shirts.

Question. Of what materials were they made ?

Answer. A part were canton flannel, and a part wollen and cotton.

Question. Were they subject to inspection upon the part of the government ?

Answer. I do not know.

Question. Do you know whether they were inspected ?

Answer. I do not.

Question. How many were there of them ?

Answer. 2,400 of each.

Question. Who has the receipt of the quartermaster's department ?

Answer. I have.

Question. Have you purchased any other goods than those which you have mentioned, and which came to the use of the government in the same way ?

Answer. Yes, sir ; some fifty or sixty thousand dollars worth.

Question. From your son ?

Answer. No, sir. Requisitions for goods from the colonels of different regiments were handed to me by General Frémont, and most of those requisitions I have handed over to Richard P. Hallowell, of Boston.

Question. For what kind of goods were they ?

Answer. The goods for Colonel Meville's cavalry included almost everything which a cavalry company could require, and what is called clothing, including shoes, shirts, overcoats, &c.

Question. Are you acquainted with Hallowell ?

Answer. He is my son-in-law.

Question. What mode of deciding upon the price of these articles have you adopted ?

Answer. By having the samples on hand, and buying from the samples, and retaining the samples.

Question. What is Hallowell's business ?

Answer. He is in the wool business.

Question. How many shoes have you obtained in that way ?

Answer. I think there were 1,200 for Colonel Merrill's cavalry, and 1,200 for Colonel Berge's regiment ; those are all I have ordered.

Question. Is it all you have received ?

Answer. No, sir. I was speaking of what had been ordered through me. Hallowell received an order, through Major McKinstry, for shoes. Those shoes have come to me, and like other goods are to be held until they are paid for.

Question. Were the 2,400 you ordered sewed shoes ?

Answer. No, sir: they were pegged shoes.

Question. Oak-tanned?

Answer. I do not know whether they are or not. From the appearance of the shoes, and from report, I think they are solid leather, and, in all respects, very superior goods.

Question. What was the price of them?

Answer. \$1 40 per pair.

Question. What other articles have you received under requisitions?

Answer. Coats, pantaloons, blouses, drawers, shirts, stockings, &c.

Question. What is the whole amount of the bill for Merrill's cavalry?

Answer. There are five or six bills, and I think the amount of the bills already received is \$27,000 for his regiment of 1,200 horses.

Question. All those were purchased of Hallowell?

Answer. Yes, sir.

Question. What is the amount of the bills for Colonel Berge's regiment?

Answer. \$1,800 each for four articles—hose, shoes, drawers, and shirts.

Question. Did you pay the same price for those shoes as for the others?

Answer. Yes, sir.

Question. How much for the drawers?

Answer. Seventy-five cents a pair.

Question. These you obtained through your son-in-law?

Answer. Yes, sir.

Question. What other merchandize have you obtained through the same source? Did you receive any part of this fifty or sixty thousand dollars worth of goods, otherwise than through your son or son-in-law, in Boston?

Answer. No, sir.

Question. What was the amount of the shoe contract which you obtained through Major McKinstry, for Hallowell?

Answer. I think it was for five or six thousand pair.

Question. Pegged shoes?

Answer. Yes, sir; all the shoes I purchased were of the same quality and the same price.

Question. Have you, or your son, or your son-in-law, furnished to Major McKinstry any other goods than those you speak of?

Answer. Not to my knowledge.

Question. The goods you have given an account of are all the goods you have bought?

Answer. Yes, sir. They are all included in the fifty or sixty thousand dollars.

Question. You spoke of General Asboth; who is he?

Answer. He is a brigadier general.

Question. Does he hold that rank by appointment?

Answer. I do not know.

Question. You spoke of receiving orders through him for the payment of money for the building of those barracks.

Answer. I did not intend to be so understood. I only know the fact of those barracks being built under General Asboth's directions.

Question. What are they being built for?

Answer. I only know that they are for troops.

Question. Are they for General Frémont's body guard?

Answer. I do not know.

Question. How many troops will they hold?

Answer. I do not know.

Question. Are you a member of General Frémont's staff?

Answer. Yes, sir.

Question. Of how many members is that staff composed?

Answer. I do not recollect; there are 25 or 30 of them.

Question. Can you give the names of all the members who now compose General Frémont's staff, and the names of gentlemen who have composed his staff since you have been here?

Answer. I cannot from memory; there is a printed slip of the names.

Question. Does that slip contain the names of all the members?

Answer. The first did not.

Question. Was Major Stevens's name upon that list?

Answer. I think it was not.

Question. Was he not a member of the staff?

Answer. I think not; I can only say that upon a certain morning the newspapers announced the fact that certain gentlemen, naming them, constituted General Frémont's staff.

Question. Can you tell us how many gentlemen were about his household?

Answer. A great many; a very great many, and all very busy. In our office we could hardly find room for the persons we had in the house.

Question. How many soldiers were it necessary to guard the house to prevent the ingress of people?

Answer. I do not know; it would sometimes require a good many to prevent those from coming there who had better stay away.

Question. How many soldiers were usually detailed to guard the approaches to headquarters?

Answer. I cannot tell; Captain Zagonyi can tell you.

Question. What position did Zagonyi occupy?

Answer. He was at the head of the troop of horse around the headquarters.

Question. How large was that troop of horse?

Answer. It was about 400 strong.

Question. Was this whole troop or any portion of it kept about the headquarters?

Answer. They were about half a mile from headquarters, but I think from ten to twenty members of that guard were always in the yard and house.

Question. For what purpose were they there?

Answer. For different purposes; one was stationed inside, at the head of the stairs, to prevent any body going up stairs who had no business there.

Question. What was the duty of those stationed below?

Answer. The two at the gates, from five to nine o'clock, were stationed there to keep the gates closed.

Question. How were those guards armed?

Answer. Sometimes armed with sabres and sometimes with short guns.

Question. Drawn sabres?

Answer. Oh yes; everything was done in true military style, according to my ideas.

Question. How many guards do major generals keep around their houses and headquarters?

Answer. As I told you before, I am not much acquainted with military matters.

Question. What is Captain Zagonyi?

Answer. He is an Hungarian officer who came out with General Frémont.

Question. Does he hold a commission from the United States or only upon Frémont's staff?

Answer. I do not know.

Question. What was this troop which he was in command of called?

Answer. General Frémont's body guard.

Question. Do you know the expenses per day of keeping that troop?

Answer. I do not.

Question. What is the expense in your judgment?

Answer. I can form no correct opinion about the matter.

Question. As a member of the staff, always about headquarters, in your judgment, was it necessary to keep any such large body of men there? Did the public interest or the exigency of the public service require a guard of three or four hundred mounted men?

Answer. That question calls to mind one fact which induces me to answer the question in the affirmative; I remember being called up one night when the troop of horse was called out by General Asboth, at the suggestion of the provost marshal, for the purpose of putting down what they feared was a riot. They might be necessary upon such an occasion. Whether they are necessary upon other occasions I cannot say.

Question. Was that a disturbance in the city?

Answer. It was feared there would be disturbance in the city. I know that from the first moment we came to St. Louis there was a general alarm and dread about headquarters. We did not know what would take place at any time.

Question. You say this troop is about 400 strong?

Answer. Yes, sir; but Major Zagonyi told me just before he left that his idea was to raise a full regiment.

Question. They are mounted horsemen, are they not?

Answer. Yes, sir.

Question. Bay horses?

Answer. I do not know.

Question. A peculiar uniform?

Answer. No, sir; I do not think it is.

Question. What corps of United States troops do they resemble in uniform?

Answer. I do not know.

Question. Did you ever see anything like their uniform anywhere?

Answer. I cannot say.

Question. What is the process by which a citizen can pass through those drawn swords at the gate and at the stairway before he can reach the general's presence?

Answer. Simply by giving his name and business, unless that business is something which we can attend to.

Question. How are the guard to distinguish between those who are to go through under the drawn sword and those who are not to go through?

Answer. From nine o'clock in the morning until five o'clock at night any one could come into the gate and into the house; but from the basement, where my office was, no one could go up to the general's office without the permission of one of us.

Question. Then, from nine to five o'clock, what is the use of the drawn swords if any one is permitted to pass?

Answer. I cannot say. I had nothing to do with military matters or with deciding the necessity for this or that.

Question. Would your books, as quartermaster, show the expenses of this body guard?

Answer. No, sir.

Question. Whence do they derive their subsistence?

Answer. I should judge that their requisitions are made upon the commissary.

ST. LOUIS, *October 22, 1861.*

JOHN M. BAUER, being duly sworn, was examined as follows:

Question. Do you know anything about the manufacture of shot and shell by McMurry, Vinkle, Myer & Co.?

Answer. As I have been acquainted with them a long time, I occasionally passed through their establishment, and I have noticed that they are manufacturing a large quantity of shot and shell, six-pounders, twelve-pounders, and twenty-four-pounders, besides grape and cannister.

Question. Do you know at what price they furnish shot and shell to the government?

Answer. The prices range from three to six cents a pound, according to what it is. The lowest price is three and the highest six cents.

ST. LOUIS, *October 22, 1861.*

CHARLES M. ELLEARD, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In this county.

Question. What is your business?

Answer. I carry on a variety of business. I am a farmer, a butcher, a dealer in horses, and I have a race-course.

Question. Have you furnished horses to the government?

Answer. I have, some.

Question. Under a contract?

Answer. No, sir; upon an order, understanding that I was to have the same price that others were getting.

Question. How many horses did the order embrace?

Answer. It embraced no particular number. My order was to go ahead and furnish horses.

Question. When was the order given to you?

Answer. The first horses I bought was about the 15th of August, which was after all these contracts were given out. A great many horses had been furnished before I furnished any.

Question. Was it after the contract to Jones and Bowen had been filled?

Answer. Long after that.

Question. Who gave you the order?

Answer. Major McKinstry.

Question. Was it a written order?

Answer. No, sir; a verbal one.

Question. Where did you first become acquainted with Major McKinstry?

Answer. I knew him first in California.

Question. Have you resided in California?

Answer. I have.

Question. When did you leave there?

Answer. In November, 1852.

Question. How long had Major McKinstry resided there?

Answer. I do not know.

Question. When did he come from there?

Answer. I do not know. It strikes me that he has been here from one and a half to two years.

Question. Did he come from California here?

Answer. I do not know.

Question. Did anybody recommend you to him?

Answer. I cannot say that they did. I am not afraid to tell how I got the contract. I was sitting on the sofa in Major McKinstry's office, and the major said, "How do you get along buying horses?" I told him I was not buying horses. He said he thought I was; that I was interested in the order which he gave to Selover for 200 horses; and that I was to buy the horses with him.

Question. When was that?

Answer. About the 10th of August. When I told him I was not interested in any contract he asked me whether I had any horses on hand. I said I had a number of horses at my house, and a good many horses there that I could control. I have a large place, four miles from the city, and many people place their stock there. I have an extensive acquaintance with the horse dealers in this part of the country. I said I had some horses of my own which I was going to try to sell to the government. He said "You take an order for 200 horses." He said to Brady, of Detroit, at the same time, "You take an order also." He said that as he, Brady, did not know so many

people in St. Louis as I did we had better operate together, and he would pay the usual price. I have said, I believe, I did not buy any horses before that. That was a mistake. I furnished the horses for General Harney; I paid \$150 apiece for every one of them, and furnished them at cash price. The only profit I had was the difference between Missouri money and the gold which I got from the government. Under this new arrangement it was understood that the price for cavalry horses was \$119. Afterwards I was told to get some horses for Totten's battery to supply the places of several which had been killed. I received orders for this purpose at different times. After the contract to furnish horses had been filled I happened to be in the office when an order came in for 400 horses. The government had no horses on hand, and McKinstry said to me, "Can you furnish those horses?" I told him I could in a very short time. He told me to furnish them. So the thing went along until I must have furnished 2,000 horses in all.

Question. All of them at \$119?

Answer. Not all of them.

Question. Any below \$119?

Answer. No, sir.

Question. At what price did you furnish the artillery horses?

Answer. For 79 head which I put in he would not allow but \$119, because they were not extra horses. For all that would be certified to as "A No 1," extra artillery horses, he allowed \$150 each.

Question. Did you furnish any between \$119 and \$150?

Answer. No, sir.

Question. What portion of your horses were furnished at \$150?

Answer. I think probably 250 of them. For some of the horses for which he allowed me \$150 I paid as high as \$280 a pair.

Question. Can you state what was the average price you paid for your cavalry horses?

Answer. I should say \$105.

Question. Did you have a standard price for artillery horses?

Answer. No, sir; I paid from \$118, to \$150.

Question. How many mules did you furnish?

Answer. Fifty-five at one time, and ten at another.

Question. Did that embrace all you furnished?

Answer. Yes, sir; for 55 he allowed \$115 each, and for 10 he allowed \$119. I paid \$110 for each of the 10 mules.

Question. Have you furnished any horses lately?

Answer. I have since the 18th of last month.

Question. Have you furnished anything else?

Answer. No, sir; except a small quantity of beef at the arsenal.

Question. Do you remember the name of the inspector who inspected the first 200 horses which you and Brady bought together?

Answer. I am not positive, but it seems to me that it was Blakely.

Question. Have you had any other man inspect for you?

Answer. Yes, sir; a man by the name of Dubois, and some one else.

Question. Did you have Neil inspecting?

Answer. I do not know anything about him. He did not inspect any animals for me.

Question. Did you ever see him inspect any horses?

Answer. No, sir.

Question. Do you know of his purchasing any horse s?

Answer. Not of my own knowledge.

Question. Do these comprise all your dealings with the government in horses and mules?

Answer. Yes, sir.

Question. Do you know anything about some silverware which was presented to Mrs. McKinsty?

Answer. I believe there was a set of silverware presented to Mrs. McKinsty.

Question. Did you participate in that donation?

Answer. No, sir; not a cent. They had put me down at \$250, but I refused to pay anything. I thought I had paid enough for Mrs. Frémont's carriage.

Question. When was that presented?

Answer. I do not remember the exact date; about the first of September.

Question. Who paid for Mrs. Frémont's carriage?

Answer. I did.

Question. In full?

Answer. Yes, sir; in full, but a friend of mine gave \$300 towards paying for it.

Question. Were you reimbursed any part of that sum?

Answer. Only the \$300.

Question. What was the whole cost?

Answer. Nearly \$1,500.

Question. Who paid that \$300?

Answer. Mr. Fox, of the firm of Child, Pratt & Fox, of this city.

Question. Do you know anything about a fast trotting horse and buggy that McKinsty had?

Answer. Yes, sir; I loaned them to him, and here, upon oath, I declare that I never gave him a farthing in any shape or form. I loaned the horse and buggy to him.

Question. When?

Answer. Before I had any dealings with him.

Question. About what time was it?

Answer. I think it was somewhere about the 8th or 10th of August. I think it was before I had any contract, though it might have been after.

Question. How long did he keep it?

Answer. Until recently.

Question. How recently?

Answer. When he went away he left it at his stable, and I went and got it a few days ago.

Question. Do you remember what day?

Answer. I got it on Saturday last, the 19th instant.

Question. On what terms did you loan them to him?

Answer. He was walking about town a good deal, and I said to

him one day, "You want a horse and buggy to ride about here, and I will lend you one."

Question. Has he paid you anything for them?

Answer. No, sir.

Question. Did you tell him how long he might keep them?

Answer. No, sir.

Question. Did he inquire what he should pay for them?

Answer. No, sir.

Question. While he was using your horse and buggy for nothing you were furnishing horses to the government under his contract?

Answer. Yes, sir; that is so.

Question. Was that the horse and buggy in which Jim Neil drove him back and forth?

Answer. No, sir.

Question. It was not the one used every day, was it?

Answer. They used a great many every day.

Question. This was a fast horse, was it not?

Answer. Not particularly fast.

Question. Above the average speed?

Answer. Well, yes. It was a kind horse which my wife could drive.

Question. Is it a valuable horse?

Answer. Yes, worth \$200.

Question. What was the buggy worth?

Answer. About \$200.

Question. Did you present those horses to Mrs. Frémont in person?

Answer. McKinstry presented them, but I don't know in whose name. I was introduced to General Frémont, by Blair, in Washington city. I had heard much of him in California. I thought this would be gratifying to Frank—a man who can have the last dollar I have in the world. I let McKinstry have that horse and buggy because I thought he was friendly to Blair. I want you to understand, however, that if I had wanted McKinstry to do anything for me I had already laid him under obligation to do so, without giving him a horse and buggy. The getting up this thing for Mrs. Frémont was talked over among the friends of Frank Blair, and we thought it would be gratifying to Frank, and when McKinstry presented the carriage Frank was present. When presented, Mrs. Frémont thought it was from Major McKinstry. He told her it was from some of Mr. Blair's friends. She then consulted with Mr. Blair, and wanted to know whether she should accept it. He told her she had better not take it, that he would not if he were in her place. She then said she would not take it, and it was sent back to the stable. But I noticed the next day or the day after that it had been taken up to her house, otherwise I should have taken it home and given it to my wife. I should not have any particular objection to taking it back now under the circumstances.

Question. What had you done for Major McKinstry?

Answer. I assisted in having McKinstry retained in his office here, and I think he knew it. I know that on the 3d of March Secretary Holt removed McKinstry and appointed Crossman in his place. I

was in Washington at the time, and with some friends of mine succeeded in having him replaced.

Question. Who aided you in bringing about that result?

Answer. Mr. Frank Blair. We told Frank that we considered McKinstry the proper man; that Crossman was an old foggy; that McKinstry had stood by us in times of trial; and that we did not think it right that he should be removed on the last day of Holt's administration.

Question. And you felt that you had, to some extent, put him under obligation to you?

Answer. I thought I had.

Question. Did you come from Washington to St. Louis about the time that Blair did?

Answer. I returned before he did.

Question. Did you learn, before you entered upon the purchasing of horses, that a man by the name of Wiles had been requested by General Frémont to purchase horses for the government upon commission?

Answer. I did not. I knew Wiles to be a secessionist, and I knew all the people about him were secessionists. I knew that his son had started south with mules for the Southern Confederacy. The day Blair returned he sent for me and Captain Abel. We came down here to Barnum's Hotel to see him. He said he wanted to go up to see General Frémont, but he did not know whether it was safe to go out into the streets. He knew that we could tell him all about how matters stood here. I went up with him to see General Frémont. The general was glad to see him. They shook hands, and I never saw two brothers more glad to see each other than they appeared to be. General Frémont began telling Blair how Blair's regiment had fought at Wilson's creek. He stated that they had whipped three regiments, one after another. That led to a long conversation, in which they appeared to be upon the most friendly terms.

Question. Did you see Wiles there at that time?

Answer. Wiles was behind the door and seemed to be talking with J. C. Woods. He tried to get behind the door when he saw me coming. While we were there Major Selover, who appeared to be quite intimate with the general, came in. He presented a paper to the general and requested that he would read it. He said he could not then. Selover told him he wanted him to look at it. Frémont said he could not. Selover said, "I want you to read that paper now, it is important." Finally Frémont looked over the paper, but said he could not do anything about it then. Selover then told us it was a paper requesting Frémont to give the buying of the horses all into the hands of one man. Selover turned round and said, "Here is Elleard, a horse man, I have no objection to his being the buyer. There are so many people buying horses that the price has come up so that they cannot make much out of them. If one man were appointed to buy all the horses and have them inspected at one place, it will be a great saving to the government." Frémont asked Blair about it, but Blair said he did not know anything about it; that perhaps it would be a good arrangement. Blair spoke indifferently about it, and seemed to

give it no attention. Then the subject was laid aside. I saw this Wiles down stairs, as I went down. I told him he was a secessionist and "what the devil is he here for," I said. Some one replied, "I suppose he is buying horses." He had been buying horses and inspecting them himself at the stable and turning them over to the government; but so much noise was made about it that they stopped it. General McKinstry had had horses stabled there, but they were taken away when McKinstry found out that Wiles was a secessionist. An order was made by General Frémont that horses should not be purchased of secessionists.

Question. You say they assessed you, as well as others, to help pay for the silver set to Mrs. McKinstry. How much was set opposite your name?

Answer. Two hundred and fifty dollars.

Question. What other names were upon the paper?

Answer. There were the names of Selover, Brady, Piere Ladue, Jim Neil, Almon Thomson, Asa Jones, and Fox. I do not know whether Wheeler's name was upon the paper or not.

Question. Was it understood that those men were all men having contracts with the quartermaster's department?

Answer. Undoubtedly, all of them. The silver was inscribed as presented to Mrs. McKinstry by friends of her husband for his services as provost marshal, or something of that kind. He did render services, and I wish he were provost marshal now; he would scorch some of these fellows.

Question. When you took the first contract for purchasing horses you spoke of McKinstry recommending some one as your partner. Did you act as partner with him?

Answer. Yes, sir; everything was done in my name, but I divided with him.

Question. What was his name?

Answer. J. P. Brady.

Question. Was he a partner with you in the subsequent purchase of the 2,000 horses?

Answer. Yes, sir; in everything.

Question. Do you know what relation he was to McKinstry?

Answer. They were raised together, I think.

Question. Did you understand that they were relatives?

Answer. No, sir.

Question. What was the consideration upon which you let Brady in? Did he furnish money?

Answer. No, sir.

Question. Did he do any of the duties pertaining to the purchase of the horses?

Answer. No, sir; or very little.

Question. How much was his share of the profits?

Answer. \$20,000.

Question. Did he furnish any part of the capital?

Answer. None of consequence. One day when we were short of money he borrowed of another partner \$3,000, for which we gave a joint note.

Question. With what other parties was he in partnership here?

Answer. He was in partnership with a man by the name of Simon Mendlebaum.

Question. Was he a partner with him in the purchase of horses?

Answer. No, sir; they were in the dry goods business, and I believe they were furnishing blankets, coats, pantaloons, &c.; and when I came to a settlement with Brady I said to him that I supposed I was interested with him in his arrangements there. He said I was not. I asked McKinstry what he thought about it, and he said he thought I was interested; but Brady said that he spoke to McKinstry afterwards, and that McKinstry said I was not interested; so I settled with him upon that basis. But after I had settled with Brady, he and his partner came and made a settlement with me in regard to the interest I claimed to have with Brady in his other business. On the settlement Mendlebaum gave me a ticket on which it was stated that when they had got through they would owe me \$763.

Question. What other contracts do you know of in which this Brady was interested?

Answer. I do not know of any.

Question. You stated that you bought 2,000 horses and put them in to the government at \$119 a head. What profit did you make on them?

Answer. Some \$40,000; however, considering the heavy expenses, I do not think there will be that amount of profit; it has cost a great deal to get money. When you come to borrow two or three hundred thousand dollars, and pay interest on it, it runs up pretty fast; and I do not know that I shall make anything when you take that into account.

Question. You have evidences of indebtedness against the United States, have you not?

Answer. Vouchers; but they have been selling here on the streets for ten or fifteen per cent. discount, and payable at that in Missouri paper. You can go into the streets and buy them for that now.

Question. What is the reason?

Answer. Because the Secretary of War says he is not going to pay these claims.

Question. Why?

Answer. You can see the reason as well as I can. I have got claims against the government for matters of which I have been actually robbed. The government agents came on to my place and took my ricks of hay, and allowed me for them what they pleased. Dutchmen—men for whom I have been fighting for ten years—have come up to my residence and ordered me to put out my lights. I had a place out there on which I was making money, and these staff officers sent out a military order to seize my place.

Question. Who presented the paper to you to collect the amount set opposite your name for the silver ware?

Answer. I think it was Selover. I told him in so many words that I would not pay a cent towards it. They wanted me to pay something towards the horse and carriage which was presented to Mrs. McKinstry; but I refused to do it.

Question. Was a horse and carriage presented to her?

Answer. I understood so.

Question. Do you know who purchased them?

Answer. No, sir.

Question. You have stated that although Brady's name was not used as having any interest in buying the horses, yet that he was interested to the amount of one-half; that he furnished no part of the capital, except as you have named. Now state what consideration induced you to let Brady into a contract of which his portion of the profits was \$20,000.

Answer. Nothing but the simple words of McKinstry, that he and I had better work together.

Question. Did you understand that it was the desire of McKinstry that you should take him in with you?

Answer. Most assuredly.

Question. What was your idea in that respect?

Answer. I supposed that he was a friend of McKinstry, and that McKinstry would like to advance his interest in that way; I also thought that as they were from the same town, and very old acquaintances, it might advance my interest to take Brady in with me.

Question. The public interest was not advanced in any way by giving Brady an interest in the matter?

Answer. Not at all.

Question. You could have carried out the contract just as well without him?

Answer. Certainly; everybody knows that.

Question. It was the same as putting \$20,000 into the man's pocket?

Answer. Yes, sir; and I was advised not to do it. Blair advised me not to do it; but I told him I had agreed to do it, and I would do it; and I did do it.

St. Louis, *October 22, 1861.*

WM. HAHN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I have been acting as the cashier of Major McKinstry, quartermaster.

Question. For how long a time?

Answer. I have been with him here since January 21, 1860. I served with him in Florida from May 15, 1856, to September 9, 1858.

Question. What do you know about paying Mr. Pease some money?

Answer. I paid him money, and took a voucher for it.

Question. Have you paid him a large amount of money at any one time?

Answer. I have paid him in sums varying from ten to twenty-five thousand dollars.

Question. Have you paid him any larger sum than that at a time?
Answer. Not to my recollection.

Question. Upon what vouchers were the payments you speak of made?

Answer. Upon regular purchase vouchers.

Question. Vouchers for articles purchased from him?

Answer. Yes, sir; some of them.

Question. How much money has been paid to Pease in all?

Answer. I should think we had paid fifty or sixty thousand dollars. I guess not more than \$60,000, though I cannot state positively without my books.

Question. Did you ever pay him any money unofficially in any way?

Answer. No, sir.

Question. What were those vouchers for upon which you paid him?

Answer. For grain and all sorts of things.

Question. Has Pease had a great many contracts?

Answer. He had none.

Question. How then came you to pay him money? Was he the attorney of parties having contracts?

Answer. I do not know that I have paid him money upon any contracts.

Question. I thought you said you paid him upon vouchers of articles purchased?

Answer. Yes, sir. He would go into the market and purchase certain articles, and render an account; and we would pay him upon such account.

Question. Did you ever pay him any money in any other way?

Answer. No, sir. We have never paid him anything except for purchases made or services rendered.

Question. For what services rendered have you paid him?

Answer. We paid him for drayage and storage.

Question. Was he about the quartermaster's department a good deal?

Answer. Not more than his business required.

Question. What was his business in this city?

Answer. He is a commission merchant.

Question. Does he do a large business?

Answer. I do not know.

Question. Do your books show the amount you have paid him?

Answer. Yes, sir.

Question. Have any parties ever left any money with you to be paid to Pease, or have orders been given by them to Pease upon Major McKinstry?

Answer. No, sir.

Question. Do you know of any order of that kind having been given?

Answer. No, sir.

Question. Do you know of any orders ever given upon Major McKinstry by any other persons?

Answer. No, sir.

Question. Do you know of any money ever having been retained in Major McKinstry's hands to be paid to any other party?

Answer. No, sir.

Question. Do you know anything about \$5,000 being left in Major McKinstry's hands by Almon Thomson, or anybody else?

Answer. No, sir.

Question. Do you know that there was no such amount left there?

Answer. No, sir.

Question. How much money do you suppose you have paid out during the last six months, or since the breaking out of this war?

Answer. About \$1,800,000.

Question. Have you ever paid out any Missouri money?

Answer. Yes, sir.

Question. State the circumstances under which you have paid out such money?

Answer. We get a certificate from Major McKinstry, approved by General Frémont, and take it to the bank and get the money. It is in the shape of a loan.

Question. What were your instructions about paying out anything except coin?

Answer. I had nothing to do with that matter. Just such money as McKinstry gave me that I paid out. We pay out such money as is provided for us by the government.

Question. Is this Missouri money provided you by the government?

Answer. Yes, sir.

Question. What disbursing officer of the government provided you with that money?

Answer. General Frémont provided it. The paper bore his signature. It was in the shape of a receipt; something like this: "Received of the States Saving Institution ——— thousand dollars, to be refunded out of the first money received at this office." That was signed by McKinstry, and the order of the commanding general was written across the face of it.

Question. What was the order of the commanding officer?

Answer. It was in the shape of an approval.

Question. What was the money you so paid out?

Answer. It was currency.

Question. What is the order or regulation of the general in regard to paying out the currency of banks?

Answer. The law and regulation is that disbursing officers shall pay out such money as is provided them by the government.

Question. Is it not a positive law that no money other than gold, silver, or treasury notes shall be paid out?

Answer. I suppose that is the intention of the law, but the order of the commanding officer relieves the disbursing officer of any responsibility.

Question. Then, according to that statement, the commanding officer can suspend the law?

Answer. The commanding officer is responsible for any violation of the law by his order. I supposed the matter of paying out money

was a mere regulation. I have seen a regulation directing officers of the army to pay out such money as they were provided with.

Question. Did that mean bank notes?

Answer. I suppose so. If the government supplies an officer with currency I believe he is bound to disburse it.

Question. Whom do you mean by the term "government?"

Answer. The department.

Question. What department?

Answer. The quartermaster's department.

Question. Then, you consider the quartermaster's department as the government here?

Answer. Not exactly so, for I consider the commanding officer as higher authority than the quartermaster.

Question. Do you consider the commanding officer of the department as higher authority than the government itself?

Answer. No, sir.

Question. If the government makes a law regulating the character of the money which shall be paid out, do you understand that the commanding general can suspend that law?

Answer. If a subordinate officer is commanded to do a certain thing and neglects or refuses to do it, he can be put under arrest, and I suppose if the commanding officer assumes the responsibility of giving a certain order the subordinate is bound to obey.

Question. How much bank money have you paid out upon vouchers?

Answer. I should suppose \$500,000, and possibly as much as \$700,000.

Question. At the time you paid it out at what discount was that money in exchange for gold or eastern exchange?

Answer. I do not know.

Question. Do you know what eastern exchange has been ruling at during the past four months in this city?

Answer. It has fluctuated between four and ten per cent.

Question. Then, that currency has been as much under par as the premium on eastern exchange, less the absolute cost of transmission of specie?

Answer. Yes, sir.

Question. You knew at the time that it was under par?

Answer. Yes, sir, but it was on par with treasury notes about the time the first money was received from the banks.

Question. How much have you paid out in treasury notes?

Answer. About \$1,153,000.

Question. And about \$700,000 in currency?

Answer. Yes, sir.

Question. How soon after McKinstry was appointed brigadier general was he relieved in the quartermaster's department?

Answer. He was relieved by Major Allen on the 3d of October. He went away, however, on the 25th of September, but subsequently returned.

Question. How long was he gone?

Answer. He was away until the 3d of October. He returned the day Major Allen came.

Question. How long did he remain here at that time?

Answer. He left the following morning.

Question. Do you remember that the day before he left Mr. Pease was in the office?

Answer. Yes, sir.

Question. Did you pay him any money that day?

Answer. Yes, sir.

Question. More than once?

Answer. No, sir.

Question. Was anybody in the office when you paid it?

Answer. I do not remember.

Question. How much did you pay him that day?

Answer. I do not know; but there might have been two payments made. I think the whole amount was \$25,000.

Question. In Missouri paper?

Answer. No, sir.

Question. Did he do the money up in a newspaper?

Answer. I do not remember.

Question. Did he take it away?

Answer. I presume he did.

Question. What was that payment for?

Answer. It was for purchases made and services rendered.

Question. Have you the vouchers for that payment?

Answer. Yes, sir.

Question. What were the services he rendered?

Answer. Drayage and storage.

Question. What was the amount of drayage?

Answer. I think it was ten or twelve thousand dollars.

Question. Drayage by drays of his own?

Answer. Yes, sir.

Question. What service did he perform with drays which could amount to ten or twelve thousand dollars?

Answer. We hauled and distributed the property which was received at the quartermaster's department.

Question. Can you furnish the committee with those vouchers?

Answer. Yes, sir.

Question. What did Pease store?

Answer. He stored public property.

Question. Of what character?

Answer. All commissary stores, ordnance stores, provisions, tents, clothing, guns, and everything of that kind.

Question. How many guns did he store?

Answer. Not many.

Question. Did he store any guns?

Answer. I guess not many. I did not keep track of the particular articles he stored, as that does not belong to my department.

Question. Is there any voucher for the storage of guns?

Answer. I do not remember. I was simply enumerating all sorts of military stores, and there may have been guns among them, and there might not have been.

Question. Who furnished the vouchers?

Answer. They were furnished upon his affidavit.

Question. And upon his affidavit, without any further certificate, you paid him that amount?

Answer. Yes, sir; or rather the chief clerk, on being satisfied of the correctness of his accounts, directed me to pay them.

Question. But the paper made out in the form of a bill, supported by his own affidavit, constituted the voucher?

Answer. Yes, sir.

Question. Was there, in the office, any examination of the dray service?

Answer. Mr. Clements, the chief clerk, examined the bills.

Question. What is there in the office to test the accuracy of Pease's bills?

Answer. The property received, and the manner in which it is disposed of, are entered upon our books.

Question. During what period of time did he earn ten or twelve thousand dollars for drayage?

Answer. From the first of July until the 30th of September.

Question. How many drays had he?

Answer. I do not know.

Question. He is a brother-in-law of McKinstry, is he not?

Answer. Not that I know of.

Question. How can you ascertain now how much service has been done in that time?

Answer. We know where the property has gone to, and we know he charged so much a load—a fixed rate—so much per load to the arsenal and so much to the fair ground.

Question. Have you in your office all the vouchers upon which you paid money to him?

Answer. Yes, sir.

Question. Can you tell the committee how much money you have paid to the firm of Child, Pratt & Fox since the middle of April?

Answer. I suppose we have paid from \$150,000 to \$175,000.

Question. Have you upon your books an account kept with them which you can show the committee?

Answer. I can show you the account, and I can also show you the vouchers.

Question. Will you be able to show us from the books the prices which have been paid for the articles furnished by them?

Answer. Yes, sir.

Question. Was there an advertisement for proposals to furnish the articles which were furnished by Child, Pratt & Fox, or were they furnished upon private contract?

Answer. I do not know whether there was any advertisement or not.

Question. Is there anything due that firm now for materials and articles furnished the quartermaster's department before McKinstry left it?

Answer. Yes, sir.

Question. How much?

Answer. About \$390,000.

Question. Then that firm has furnished the quartermaster's department, since April, about \$600,000 worth of articles?

Answer. Yes, sir.

Question. Can you state, in general terms, what the articles consisted of?

Answer. Yes, sir; hardware, clothing, shoes, blankets, camp kettles, mess pans, picket-pins, &c.

Question. Will your books show the prices of these various articles?

Answer. The vouchers will show.

Question. Did you pay any money upon contracts for boats furnished by the Keokuk Packet Company?

Answer. Yes, sir.

Question. Do you recollect what boats you paid for?

Answer. I do not. I recollect that the services of the Louisiana have been paid for.

Question. Do you recollect how much money, in all, you have paid for boats hired by the government?

Answer. I should think not over three or four thousand dollars.

Question. By whom was the Louisiana chartered?

Answer. By John H. Bowen.

Question. At what price?

Answer. At \$1,500 a month.

Question. Do you recollect of some shoes being furnished by the firm of Child, Pratt & Fox, about which there was some difficulty?

Answer. I know that 900 pairs were returned to them, and the price deducted from their account.

Question. At what price did they originally sell them to the government?

Answer. At \$1 75 a pair.

Question. Were they pegged shoes?

Answer. I do not know.

Question. Was that the price at which they generally furnished shoes to the government?

Answer. Yes, sir; but there were some furnished at \$1 50.

St. Louis, *October* 23, 1861.

JAMES ARCHER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. Have you had any contract with the government for furnishing any articles, or have you furnished anything to parties who were supplying the government?

Answer. We have had no contract, but we have furnished a small bill of iron from our store—perhaps a thousand dollars' worth.

Question. Do you know anything about the horse contracts which have been made by any parties with the government?

Answer. I do not. We had two mules, which, when we found we

could not sell them to the government, we sold to Thomas Best, a livery stable keeper in this city.

Question. How did you find out that you could not sell them to the government?

Answer. We made inquiries.

Question. Of whom?

Answer. At the quartermaster's department.

Question. Of whom?

Answer. Some of the officials there, but I do not recollect who they were. They told us that certain persons had contracts for furnishing mules, and that we had better see them. We found that Best was buying for one of those contractors, and we took our mules to him, and sold them for \$75 each. They were very nice mules, but a little below the government standard. At the same time he was buying for the same parties other mules for \$50, which he showed us.

Question. What did he do with them?

Answer. He said he was employed by the contractors by the day to purchase mules for them.

Question. What contractors?

Answer. I did not ask him their names.

Question. What was done with those mules?

Answer. Best turned them over to the contractors.

Question. What did the contractors do with them?

Answer. They turned them over to the government.

Question. At what price?

Answer. I do not know. I also saw a lot of mules which were delivered to the Turner rifle regiment, more than half of which were inferior to the mules which I furnished at \$75 each. I passed the office of that regiment every day, and had an opportunity to see them. The mules were but a little larger than deer.

Question. Do you know anything about anybody getting an order for raising and furnishing a regiment?

Answer. Mr. Jacob Tirrill told me that Mr. Pratt, of New York, showed him a letter which he had written to Governor Barstow, of Wisconsin. Tirrill is a man of high character, and what he says may be relied on.

Question. The particulars which Tirrill gave you he derived from a letter which Pratt had written to Barstow, and showed to Tirrill?

Answer. Yes, sir. It appears that Governor Barstow came here to see General Frémont, to get authority to raise a cavalry regiment. He found considerable difficulty in carrying out his plans, and after a while he got acquainted with this Mr. Pratt. Mr. Pratt told him there was one way for him to go to work and succeed, and that was that if he, Barstow, would give him, Pratt, a certain portion of the equipment of the regiment—which he would furnish at the lowest regulation rate—and would pay \$5,000 to a person he knew, that person could get him an order to raise a regiment. Governor Barstow agreed to it, and wrote out a check for \$5,000, which was handed by Mr. Pratt to a man by the name of Cowles. This Cowles got the \$5,000 just as General Frémont was leaving St. Louis for Jefferson City; and as Frémont could not attend to the matter then, he con-

cluded to go with Frémont to Jefferson City, and there get the authority to raise the regiment. He did so, and from Jefferson City Cowles sent Barstow an order to raise and equip a regiment.

Question. Did you understand that under that arrangement Pratt was to have the equipment of the regiment?

Answer. Yes, sir. After Barstow got the order, he was talking at the hotel with his adjutant, or some intimate friend, in relation to how much he himself would make out of the equipment of the regiment. Pratt overheard it. In the first place Barstow said they would make \$40,000 on the horses, and then went on to detail how much he would make on the equipments. His friend said to him, "You know, by the way, that Pratt is to have the equipment." He replied, "Damn Pratt." Pratt was listening to the whole conversation. It had been agreed before that Pratt should meet Barstow the second night after that at Chicago, as Barstow was to start for New York the next morning. On the morning after the conversation which Pratt overheard, Barstow called out at Pratt's door to bid him good bye. Pratt hallowed out asking what he wanted. Barstow said, "I want you to meet me at Chicago to-morrow night." Pratt said, "No, sir." Barstow went off; Pratt did not meet him at Chicago, but wrote this letter I have spoken of, and which was shown to Mr. Tirrill. In that letter he spoke of the transaction just as it had occurred, and wound up by saying that if he could reconcile such a transaction to his own conscience he would do more than he thought he could.

Question. What do you know in relation to any wagon contracts?

Answer. I do not know anything about the contracts for furnishing wagons.

Question. What do you know about any wagons which have been purchased by the government?

Answer. I should say there are some three hundred government wagons at the corner of Third and Poplar streets.

Question. Where were they bought?

Answer. I cannot say. They came over the Indiana road.

Question. Are you a judge of wagons?

Answer. Yes, sir.

Question. Have you examined those wagons?

Answer. I have examined them in connexion with a wagon maker.

Question. What conclusion did you come to in reference to the wagons after such examination?

Answer. The wagons were small ones, and totally unfit for the road. They were narrow gauge, and they could not be drove over our roads at all. Such wagons as those we should sell at fifty or sixty dollars when new and complete. But many of these wagons had the appearance of having been used two or three years. The original boxes had given out, and new boxes had been constructed for them of third or fourth rate pine lumber, with the staples for the posts simply knocked into them, and not clinched. The boxes had not been painted.

Question. What did the government allow for those wagons?

Answer. I do not know, but I was told that the price was \$125 each.

Question. Who furnished them?

Answer. I do not know. I had one of our best wagon makers look at them, and he said they were not worth \$30 apiece.

Question. Do you know anything about the tents furnished to the government?

Answer. An Irishman by the name of Henry Martin wanted to get a contract for making tents, and I interested myself in his favor, as he was a good Union man. He went to General McKinstry to make a proposition, and McKinstry referred him to Joseph S. Pease, who was understood to have a sort of sub-office for letting contracts. He made a contract with Pease to make him tents—small ones, of which he made a good many, for \$10, \$10 50, and \$11, and wall tents for \$27. He made them, and Pease paid him for the wall tents in certificates at \$30 a piece.

Question. How do you account for that?

Answer. Pease got certificates from the government for the tents at \$30 apiece, and paid over enough of them to pay Martin what he owed him for making them, and the remainder he kept himself.

Question. Did you have any interview with McKinstry about that time in reference to contracts?

Answer. I had an interview with McKinstry about the time it began to be understood that Union men would have some show, and I took Kearn and Espenshied with me. We told him we understood he wanted a great many wagons in this department; that we would be glad to make them, and that we would make them lower than they could be brought from the east for. I also had Samuel R. Filley, who was then considered the most influential man in St. Louis with McKinstry, go with me. The result of it was that I found we had no chance to get a contract for making the wagons.

Question. Did you communicate to McKinstry what Martin would make the tents for?

Answer. Yes, sir; I presented to him a written proposition.

Question. At what price did he propose to make the tents?

Answer. At \$10 50 for the small ones. McKinstry said that was too much.

Question. Was there any proposition for the wall tents?

Answer. No, sir. Martin was never asked to make a proposition for those. He was sent to Pease, and Pease made a contract with him to make wall tents at \$27 each.

Question. Were the certificates made out in Pease's name?

Answer. Yes, sir; I think I saw one of them the other day, and it was signed by Pease—that is, a certificate given for some other work.

Question. I want to know whether the certificates purported that the tents had been furnished to the government by Pease or by Martin?

Answer. I do not know. Our opinion was that Pease was working for the government, but I apprehend that the papers will show that Pease furnished those things for the government, and that Martin was a sub-contractor.

St. Louis, *October 23, 1861.*

JOHN J. PALMER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am employed in the passport office of the provost marshal's department.

Question. Do you know anything about any contracts which have been made with the government?

Answer. I do not.

Question. Do you know of any parties having contracts with the government?

Answer. I do not know any further than that I have heard of parties having contracts.

Question. Have you had any dealings with the quartermaster's department in this city?

Answer. No, sir.

Question. By whom are you paid for your services in the provost marshal's office?

Answer. The first payment I received was from Hahn, cashier of the quartermaster, McKinstry.

Question. When was that?

Answer. About the third or fourth of this month.

Question. Where were you paid?

Answer. At the desk of the cashier, in the quartermaster's office.

Question. On what voucher were you thus paid?

Answer. On the certificate of Colonel McNeil, the provost marshal, that I was entitled to so much for my services.

Question. How much was it?

Answer. It amounted to \$56. It was for the month of September.

Question. In what kind of currency were you paid?

Answer. I was paid \$45 in St. Jo. bank money.

Question. What was it worth in the market here?

Answer. I was paid off on Friday afternoon at three o'clock. I then went back to my duties in the office, and remained until night. In the morning I gave my wife a twenty-dollar bill out of that money for shopping purposes. She went out, but soon came to my office and told me that nobody would take the bill. I found, then, that I had \$45 of that money, and I requested Hahn to exchange it. He said he could not do it, because it would be his loss. He said he could do nothing about it. I told him the money was bad when he gave it to me. He turned it over, and finally said he would pay me half the discount, which, he said, was ten per cent. It was, in fact, twenty-five per cent. at that time. I went to Colonel McNeil, and told him that Hahn had paid me in that kind of money; that I could not do anything with it; and that as to the discount I could not stand it. Colonel McNeil said to Hahn, "I wish you would give Palmer some other money for this." Hahn said he would pay me one-half the discount; but instead of paying me one-half the discount, which, at the ten per cent., would be \$2 50, he gave me one dollar. I discov-

ered the same evening that it was twenty-five per cent. discount. I kept the money and went back to see the quartermaster. I told him I was a poor man, that I had use for all my money, and I wished he would exchange it for me. The quartermaster said he could do nothing then, but that he would make it up to me in some other way. So the matter has rested from that time to this.

Question. What bank was the money on?

Answer. It was money of the Western Bank of Missouri, at St. Joseph.

Question. What time in the day did you receive it?

Answer. Three o'clock, in the afternoon of Friday, October 4th.

Question. Do you know whether, on that day, the discount was more than ten per cent?

Answer. That same afternoon I heard it was twenty-five per cent. ; that the bank had broke.

Question. Was it generally known in this city, on the morning of the day you received the money, that the bank was broken, and that the money was at a discount?

Answer. The provost marshal, when I spoke to him about the matter, and when he went with me to see Hahn about it, and to request him to give me other money for it, said to Hahn, "I could have told you in the morning not to receive and pay out this money."

Question. What reply did Hahn make?

Answer. He said if he gave good money for it it would be his loss. But he paid me a dollar towards the discount.

St. Louis, *October 23, 1861.*

GEORGE R. TAYLOR, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am the president of the Pacific Railroad Company.

Question. Has the Pacific Railroad Company any arrangement with the government for the transportation of troops?

Answer. Only in this way: upon a requisition being made by an army officer for transportation we comply with that requisition; and we have always done so.

Question. Is there any written contract?

Answer. No, sir. There is a printed schedule, furnished us by a man named Castle, who represents the government in railroad matters, which is the basis of the prices paid by the government; and outside of that there are species of transportation which are not mentioned in the specification. Those items have been agreed upon by the government officer here.

Question. Who has acted upon the part of the government in this matter?

Answer. Captain Turnley.

Question. To what amount has your road been transporting troops and property for the United States?

Answer. I think the charges which we have against the government up to this time, amount to some \$250,000.

Question. Have you received any portion of your pay for such services?

Answer. We have received about \$50,000. And in this connexion allow me to say that the Pacific Railroad Company has repaired all of its bridges out of its own resources; and that the government has loaned no assistance to that end, directly or indirectly. The expense of operating the Pacific railroad, when the government first availed itself of its services, was \$1,000 a day, and at this time its expenses are eight or nine hundred dollars a day. The business of the road ceased immediately after the bridges were burned by the governor of the State, but the expenses are still going on. Upon the faith of a writing executed by two officers of the government, we have gone on and borrowed money from the banks to continue the work on our road.

Question. Who are those two officers?

Answer. Colonel Woods, by order of the major general commanding, and Captain Turnley. Upon accounts being audited to the amount of \$50,358 66, and upon assurances in writing being made to General Frémont by us the day he left here for the field, that we should be obliged to abandon the road unless we had money to carry it on, he instructed Colonel I. C. Woods to indorse a note upon the account, saying to Captain Turnley, that he must provide means to liquidate that debt. Woods gave me the note, and I gave it to Turnley. Turnley had no money, but he gave me a writing, in effect, that out of the first moneys received he would pay those vouchers.

Question. At what time did you receive the \$50,000?

Answer. We received \$4,900 early in June. Then we received from Major McKinstry \$30,000; and subsequently, at different times, \$14,500, and \$15,000.

Question. In the conference between the officers of your road and the government, touching the transportation of troops and property, has any reference been made to the provisions of the statutes of the United States by which public lands were granted to aid in the construction of your road?

Answer. Not that I know of. Certainly nothing has been said to me.

Question. Is your road a party to any arrangement by which the roads in St. Louis are being united?

Answer. No, sir; neither directly nor indirectly. We have not been even consulted.

Question. Have you recently made a contract for any addition to your rolling stock?

Answer. No, sir.

Question. Is the government making any addition to that rolling stock?

Answer. I have heard that they are, but I have no knowledge that such is the case.

Question. Have they had any consultation with you about the matter?

Answer. No, sir. On the 31st of August I received an official note from Colonel Woods, in the name of the general commanding, requiring me to furnish information to his office forthwith of the condition of our road. In writing, I told Colonel Woods—and I delivered the letter in person—that the government then owed us sixty-two or eighty-two thousand dollars; that we were impoverished, but that if the government would pledge me \$10,000 I would alter fifty platform cars so as to make them suitable for the transportation of men, and that by so doing we would increase the capacity of our road 3,000 men per trip; that in addition to that I would put up two bridges over Gray's creek; put up the two bridges west of Jefferson city by the 5th of September; that I would get out of the machine shop of the company four disabled engines, and have them put in condition for use, and that I would have the Laramie bridge finished by the 5th of September. That letter I delivered to Colonel Woods myself, but we did not get any money, and the company was left to scramble along as best they could.

Question. Can you tell the committee of any person who can inform them whether any contract has been entered into by the agents of the government for the construction of any cars to run over that road?

Answer. I do not know anything about the matter myself, but I have a tenant upon Market street who is a car builder, and who presented himself to me a few days ago, and wanted permission to use our sheds for the purpose of putting up cars after they were framed. This man, J. D. Schaefer, told me he had a sub-contract for the making of fifty cars. I told him I must consult with the executive committee of our road. I convened the committee, and laid the request before them in writing, and they authorized me to allow him to use our tracts under the sheds for the purpose of building fifty platform cars.

Question. What is the character of those cars?

Answer. This Schaefer was a bidder for building 100 cars; and he said he was the lowest bidder.

Question. Did you make any demand upon the government for additional cars and rolling stock?

Answer. No, sir.

Question. The parties who are having the cars built are building them entirely upon their own responsibility?

Answer. Yes, sir; I have never been consulted about increasing our rolling stock, except, as I have told you, in reference to altering 50 of our cars by putting a railing around them for \$10,000.

Question. Would those 50 cars have enabled you to have done all the business required on the road?

Answer. It would have increased the capacity of our road three thousand men per trip.

Question. And that, in all probability, would have satisfied all requisitions made upon you?

Answer. I think so. If we had had the money we would have made the change as a matter of profit.

Question. By whom has the connexion between your road and the Iron Mountain road, in this city, been made?

Answer. As president of the road, I have not been consulted, except that I was told by a man by the name of Castle that he contemplated doing such a thing. He did not consult me, nor ask my consent.

Question. How was it done? Was the property taken for that purpose condemned according to law?

Answer. I do not know.

Question. Who has built the connexion?

Answer. I do not know anything more about it than you do. I only know that the work is progressing.

Question. What do you know about the building of the barracks in this city, and the taking of the private property of citizens by the military authorities for that purpose, by order of the commanding general?

Answer. I would state that I have no other knowledge than that which pertains to my own property. Nearly opposite the headquarters of the general I own a corner lot nearly 400×125 feet. Upon going to the headquarters one day on business connected with the railroad, I saw a large force of men employed digging ditches, laying water-pipes, putting up hydrants, building brick walls, and piling high piles of lumber upon my lot. I immediately went over and made inquiry as to what they were doing. They said they did not know. And I know nothing more about it than what I have seen. No one ever asked me whether I owned the lot, or whether they might occupy it.

Question. Did you make any inquiry about it of any person apparently in military command?

Answer. Yes, sir. I inquired of Castle, the transportation agent, whether he had ordered it.

Question. What did he say?

Answer. He said he had not; but he told me that Captain Zagonyi had. I went to Captain Zagonyi and asked him if he was the superintendent there. He replied, in very indifferent English, that he had nothing to do with it. I came back and made a similar inquiry of a man by the name of Kennedy, and he said he, too, did not know anything about it. Meeting with such indifferent success, and having my own business to attend to, and living in the country, I abandoned the investigation.

Question. Who is Zagonyi?

Answer. I do not know, except that reputation makes him the chief of General Frémont's body guard.

St. LOUIS, *October 23, 1861.*

WM. CUMBACK, being duly sworn, was examined as follows:

Question. State your official position?

Answer. I am additional paymaster in the army.

Question. Have you had any orders from any superior authority to

pay over any money placed in your hands, as paymaster, for the payment of the United States troops?

Answer. Yes, sir. I had an order from the commanding general of this department to turn over two thousand dollars of the funds in my hands for the payment of troops to Brigadier General Price.

Question. What did you do with the order?

Answer. I put the order in my pocket and kept it. The next day I went to Jefferson City, but did not comply with the order. I finally gave the order to Colonel Andrews, the chief of our department, and he sent it to Washington city.

Question. Why did you not comply with the order?

Answer. Because the money in my hands was for the payment of troops, and I thought my accounts would not be settled if I paid it over upon such an order. To have paid it over would have been a violation of my instructions and a violation of the law.

Question. Have you heard anything in reference to your refusal?

Answer. I did not refuse, in so many words, to Colonel Eaton, though I told him I did not think it proper to make the payment; and saying that, I put the order in my pocket. I was also shown another order directing me to turn over \$5,000 to General Sigel. I was not directly asked to pay it, as I told them the paymaster would be with General Sigel in a few days. So they did nothing about it. The paymaster did go there afterwards, and he told me that he turned over, under the order of General Frémont, \$5,000 to General Sigel's quartermaster.

ST. LOUIS, *October 23, 1861.*

PARMENAS T. TURNLEY, being duly sworn, was examined as follows:

Question. What is your official position?

Answer. I am captain and assistant quartermaster United States army.

Question. Do you know anything in relation to a lot of blankets which were brought out here from Philadelphia for the use of the quartermaster's department?

Answer. A lot of blankets, consisting of a number of bales, and comprising six or eight thousand blankets, arrived here from Philadelphia some time in September, I think. I was president of a board appointed to inspect them, they having been rejected by some of the receiving officers or some of the troops.

Question. Who constituted that board?

Answer. Captain Haines, Captain Hendershott, and myself.

Question. What was the opinion of the board?

Answer. We found the blankets very inferior—those we first inspected. At the time of the first sitting I was very busy, and we only examined the outside portion of the blankets, and I suppose we really did not give the blankets a fair inspection. But those we did examine were so rotten that we easily pulled them apart.

Question. What was your report?

Answer. We rejected the blankets as entirely unfit for use.

Question. What occurred after that?

Answer. Subsequently the board was ordered to reconvene to examine minutely the interior of the bales.

Question. By what order was the board reconvened?

Answer. By order of General Frémont.

Question. How came the board to be reconvened?

Answer. I do not know that there is anything on the record to show, but I know that one day after the first report was sent in, when I was on business at headquarters, Captain Edward M. Davis took me one side and told me that he had the proceedings of the board there; that he thought we had done great injustice to the forwarders of the blankets, and that the general was going to have the board reconvened. I readily acquiesced, and told him we could take time and go into the interior of the bales and examine the blankets thoroughly. The board did reconvene, and we examined the blankets more minutely, and we found that in many of the bales the blankets were far better and superior to the ones we first examined. The bales were piled up to the ceiling, and we threw them down this time. The other two members of the board did not change their opinion at all, but I did. I thought the blankets were very cheap, and that the government could afford to take them at the price, and that they would answer until better ones could be got. I saw General Frémont myself and told him the blankets were inferior, but suggested that if the soldiers were really suffering they could take two or three of them and they would answer their purpose for six or eight weeks. I showed him my recommendation to that effect, and he made an indorsement thereon, sanctioning my recommendation and ordering the blankets to be issued.

The following is a record of the proceedings of the second board and of the action of General Frémont thereon:

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, September 9, 1861.

The proceedings of the board in reference to certain blankets having been submitted to the commanding general, he directs that the board reassemble at 10 a. m. on the 10th, and proceed to examine critically the interior of each bale of blankets, and report the result to these headquarters.

J. C. FRÉMONT,
Major General Commanding.

SPECIAL ORDERS No. 155.

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, Mo., September 9, 1861.

The board of survey, instituted by Special Orders No. 130, of September 5, 1861, composed of—

Captain P. T. Turnley, assistant quartermaster,

H. Rep. Com. 2—50

Captain H. B. Hendershott, second artillery,
 Captain T. J. Haines, commissary of subsistence,
 will reconvene to-morrow, at 11 o'clock a. m., to re-examine the bales
 of blankets, particularly the interior of the bales previously submitted
 to it.

By order of Major General Frémont.

J. C. KELTON,
Assistant Adjutant General.

Captain TURNLEY,
Assistant Quartermaster.

Proceedings of a board of officers which assembled at St. Louis, Missouri, pursuant to Special Orders No. 130, Headquarters Western Department, and reassembled at St. Louis, September 11, 1861, pursuant to the following order, viz:

SPECIAL ORDERS No. 155.

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, Mo., September 9, 1861.

The board of survey, instituted by Special Orders No. 130, of September 5, 1861, composed of—

Captain P. T. Turnley, assistant quartermaster,
 Captain H. B. Hendershott, second artillery, and
 Captain T. J. Haines, commissary of subsistence,
 will reconvene to-morrow, at 11 o'clock a. m., to re-examine the bales
 of blankets, particularly the interior of the bales previously submitted
 to it.

By order of Major General Frémont.

J. C. KELTON,
Assistant Adjutant General.

ST. LOUIS, Mo., *September —, 1861.*

The board met pursuant to the above order, present all the members, and proceeded to re-examine the blankets, as ordered.

In the opinion of the board, the blankets are all unfit for issue to the troops, being all of a quality inferior in strength, warmth, and durability to the blankets usually issued to soldiers.

H. B. HENDERSHOTT,
Captain Second Artillery.

T. J. HAINES,
Captain and Commissary of Subsistence.

I do not entirely agree with the preceding views expressed. The blankets are thin, light, and inferior to the usual army blanket;

are made (*not* of all wool) but half wool and half cotton. One blanket will not answer the soldier, but *two* at least should be supplied, and even then should be *lined* with cloth. These blankets, however, range from \$1 45 down to \$1 18 per blanket, while the usual army blanket is from \$3 75 to \$4 each. I consider these blankets *cheap*, and also as good an article as can be *had at the price*. The *troops need* the supplies. Have not time to *get the best*. I recommend the blankets be issued at the rate of *one pair* to each man, of the higher price and heaviest, and *three* blankets to the man of the lighter one.

P. T. TURNLEY,

Assistant Quartermaster U. S. A.

SEPTEMBER 13, 1861.

[Indorsed.]

HEADQUARTERS WESTERN DEPARTMENT,

St. Louis, Mo., September 14, 1861.

The proceedings of the board of survey are approved.

The suggestions offered by Captain Turnley, the president of the board, in a minority report, meet the approbation of the general commanding, and the blankets will be issued as proposed by him.

By order of General Frémont.

J. C. KELTON,

Assistant Adjutant General.

HEADQUARTERS WESTERN DEPARTMENT,

St. Louis, September 9, 1861.

The general commanding directs that one thousand of the poorer quality of blankets which the necessities of the times compel you to issue be lined with cotton and stitched.

This addition to army blankets has been highly recommended for sanitary reasons.

Respectfully, your obedient servant,

J. C. WOODS,

Adjutant and Aide-de-Camp.

Brigadier General McKINSTRY,

Quartermaster United States Army.

The bill of purchase was very low, ranging from \$1 45 down to \$1 18 per blanket, and I stated that fact in my recommendation. They were part cotton. Some of them may have gone up as high as \$3 20 per pair.

Question. What did you do with the bill?

Answer. I sent it back with the proceedings of the board, and do not know what became of it.

The committee here submitted to the inspection of the witness the

following bill of blankets, which was furnished to the committee by Captain E. M. Davis, and certified by him to be a true copy:

The United States to H. C. Davis, Dr.

1861.

Aug. 14.	200 brown gray blankets, at \$3 25.....	\$650 00
	286.....do.....do.....at \$3 50.....	1,001 00
	175 blue .....do.....at \$3 85.....	673 75
	2 blankets in each bale as wrappers—14, at \$1 50	21 00
	685 blue gray blankets, at \$3 50	2,395 75
Aug. 16.	1,856 blue gray blankets, at \$2 60.....	4,825 60
	200 brown blankets, at \$2 37.....	474 00
	200.....do.....at \$2 70.....	540 00
	400 blue blankets, at \$2 95.....	1,180 00
	200.....do.....at \$2 94.....	588 00
	3.....do.....at \$2 60.....	7 80
	1.....do.....at \$2 90	2 94
Aug. 16.	1 brown blanket.....	2 37
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	52 wrappers, at \$1 60.....	83 20
Aug. 19.	792 dozen ribbed wool hose, at \$3.....	2,376 00
	Cooperage.....	4 25
		14,828 36
Less discount		545 36
		14,283 00

I certify that the above account is correct and just, and that the articles have been accounted for on my property return for the quarter ending on the 30th of September, 1861.

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Assistant Quartermaster.

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H. C. DAVIS.

ASSISTANT QUARTERMASTER'S OFFICE.

A true copy.

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Answer. It came by mail from Philadelphia, and I think it was handed to me in General Frémont's office.

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Answer. The bills submitted to us were composed of five or six bill-heads of the houses from whence the blankets came. Those I examined, and I found the blankets very cheap, and on that account principally I dissented from the opinion of a majority of the board.

Question. Were you made aware of the fact that H. C. Davis, who was selling these blankets to the government, was a son of Captain E. M. Davis, of General Frémont's staff?

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Question. Have you any records in your office in regard to the purchase of wagons by the government? Is there any record to show where the wagons which were purchased came from, and what prices were paid for them?

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The United States to H. C. Davis, Dr.

1861.		
Aug. 14.	200 brown gray blankets, at \$3 25.....	\$650 00
	286.....do.....do.....at \$3 50.....	1,001 00
	175 bluedo.....at \$3 85.....	673 75
	2 blankets in each bale as wrappers—14, at \$1 50	21 00
	685 blue gray blankets, at \$3 50	2,395 75
Aug. 16.	1,856 blue gray blankets, at \$2 60.....	4,825 60
	200 brown blankets, at \$2 37.....	474 00
	200.....do.....at \$2 70.....	540 00
	400 blue blankets, at \$2 95.....	1,180 00
	200.....do.....at \$2 94.....	588 00
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Question. What were those wagons worth, in your judgment?

Answer. I never saw anything like them before, and being very busy I have not examined them closely.

Question. Do you recollect the name of the parties who furnished them?

Answer. I do not. I did not hold the bill ten minutes.

Question. In reference to those government wagons at the corner of Third and Poplar streets, would not the railroad company have possession of all the facts, and know who were the owners and shippers?

Answer. They ought to know. I think those wagons must have come here two months ago.

Question. Is it not remarkable that no record of those wagons is to be found?

Answer. Certainly it is. When General Frémont sent down an urgent request for transportation I tried to get hold of a number of two-horse wagons—narrow box wagons—which look like government wagons, and which were in the government service here. I got General Curtis to publish an order requiring all persons having possession of them to report them to the quartermaster for service in the field. Under that only 27 were reported. A number of officers reported that they had none in hand, or only one or two.

Question. When did you come to this station?

Answer. About the last of July.

Question. Has your position in the quartermaster's department been subordinate to that of Major McKinstry's?

Answer. Yes, sir.

Question. State the condition in which you found matters in your office.

Answer. I was ordered to repair here immediately for duty. I did so. I was then ordered to report to Major McKinstry. I did so. I waited until the next day, and reported myself again, and asked for written instructions. McKinstry was surrounded by hundreds of people; business was pressing; troops were leaving. There was an immense amount of work to do, and McKinstry told me to go to work at anything there was to do, and help to fit out the troops. I told him there must be some starting point, and I wanted to know what devolved upon me. He said if he could get time he would give me written instructions; but he never did. Mr. Kelton, assistant adjutant general, was then engaged in examining and auditing accounts. He ordered me to go to work and pay those accounts, which were floating in from General Lyon's command and other commands all over the country—bills from ten to two hundred dollars, which men had carried in their pockets until they were greasy and half worn out. I prepared myself for the work, and McKinstry furnished me some money—sometimes treasury notes, sometimes currency. Soon after I was directed by General Frémont to attend at his office, somewhat in the capacity of a public business secretary. I even had a desk and table there, and devoted four or five hours a day at his office. All my duties were indicated to me by Colonel J. C. Woods, the general's military secretary. My duties consisted, in the first place, to indicate to colonels and other officers how to make requisitions for what they wanted, and also to indicate what it was they wanted. Then I was directed to write contracts for the delivery of

some horses. I wrote some half dozen for 300 horses here, 500 there, and 1,000 in another place. I made myself even a party to the contract. I did not make the contracts elaborate, as we usually do, but merely written memoranda. Mr. A B, for instance, was authorized to deliver so many horses for cavalry or artillery purposes, as the case might be, by such a time, for which he will be paid so much money. The price was always indicated by Woods. In fact I wrote from his dictation. The heaviest contract was for 1,000 horses. That contract was made out about eight o'clock at night. Colonel Woods sent for me, and said "General Frémont desires you to make a contract with Mr. Augustus A. Sacchi, of New York, for 1,000 Canadian cavalry horses, to be delivered here by the 30th of September. He will get \$130 apiece for them." I began to write the contract, and proceeded as far as I could until I wanted the presence of Mr. Sacchi. He was not there, but Colonel Woods would get him. I waited an hour or so, and Sacchi was brought in. I discovered he was an Italian, and could speak Spanish much better than he could English, and I talked with him in that language. He said he lived in New York. I wrote that contract in full, in quadruplicate as required by law, and signed it. I left the contracts in the hands of Colonel Woods. I have never seen those contracts since. The next day, however, I told Colonel Woods that it was necessary that those contracts should receive the official indorsement of General Frémont, and that two of them should be sent to the quartermaster general's office at Washington, and I requested that he would see that it was done. He told me he would do so. I have never seen those original contracts since, though I have seen copies of them.

Question. Was the contract fulfilled by Sacchi?

Answer. No, sir. He left here immediately. The contract required me to furnish an inspector at not more than three places in Canada, and one at Detroit to inspect his horses before being branded and forwarded here. They were to come in lots of fifty and a hundred, payment to be made as delivered in lots; twenty or twenty-five per cent. of the payment to be reserved on each delivery until the contract was completed, and then the whole was to be paid. They offered no security, and Woods gave me no instructions about it. We are in the habit, however, when we want a contract fulfilled promptly, of reserving a certain percentage. When Sacchi went from here he wanted me to give him some letters to gentlemen in Detroit, New York, and Toronto, if I could. I reflected a moment and gave him one letter for Detroit and one for Chicago, stating that he had a contract for delivering some horses, and that any assistance that might be given him would probably forward the interests of the government. Sacchi left and I have not seen him since, though I have heard much of him. In less than two weeks, probably in ten days, I sent to Detroit an inspector, one that I could rely upon, a man who has been with me for fourteen years, to inspect his horses. He remained there two weeks, and then wrote to me that he had heard nothing of any horses for him to inspect. His services here were indispensable to me and I told him to return. He came, and in ten days I got a telegram from Sacchi, in New York, asking further time. I took it to General

Frémont and asked him to place his answer on it. He did not do it, but said not a day more could be given. I telegraphed back that not a day more could be given. In three days a letter from Sacchi came, asking for time, urging a thousand reasons. I handed that to the General. He said, "Write Sacchi he cannot have one day beyond the time." "Well," I said, "he must comply with the contract." "Of course," he said. As I left he said, "If he does not you must get the horses elsewhere." He remarked, "Let Reeside send them from Ohio if Sacchi don't." I did not consider it a very peremptory order, but a mere conversational remark looking towards a provision for the failure of Sacchi. I wrote to Sacchi to that effect. He then telegraphed or wrote to me, saying that he was ready for an inspector. Dr. Miller, from Nebraska, having arrived, and knowing him to be a reliable man and good judge of horses, I sent him directly to inspect the horses, to Hamilton and Toronto, in Canada. He remained there and wrote me daily, according to my written instructions. He had not seen or heard of any horses for inspection up to about the 24th of September. He wrote me to know what he should do. I wrote him to remain there until it was obvious that the contractor could not comply with his contract, and to inspect any horses which might be presented, and then to return home. The day after I wrote that, a gentleman by the name of Bitting, from Philadelphia, came into my office—perhaps it was some other man connected with Bitting—certainly it was some one in his behalf. He introduced himself and began a conversation about those horses, stating that Sacchi had assigned to Bitting and others the contract, that they were prepared to fill it, but would like a little more time if they could get it—in fact, that they must have a little more time. I showed this man my letters to Sacchi, which were in Frémont's own words. He left to push in the horses as rapidly as possible. I even showed him my instructions to the inspector. Finally, about the 25th or 27th of September, a letter was received from my inspector stating that he had inspected some forty or fifty horses and branded them. Then it was that Bitting—I am sure it was—appeared at my office, and in conversation with him I said: "Mr. Bitting, I shall consider myself morally bound to receive any horses that are acceptable under the contract and which you have actually and *bona fide* shipped on board a transport prior to the 30th of September, the day the contract expired. I think the contract requires all the horses to be here by that time, but if you have actually shipped any on board a transport I shall certainly feel morally bound to take them; but I do not mean by that that you shall have any hole to crawl out of, or any opportunity to impose any horses upon me which you shipped after that." On the 2d of October the first batch arrived, thirty or upwards, and afterwards a few more, making fifty all together. They were not as good horses as were required by the terms of the contract. There were some mares among them. They were by no means the class of horses to be received under that contract; and although my inspector, Miller, had received and branded them they were here really subject to acceptance or rejection. I therefore sent my inspector here, and Mr. Reeside, who happened to be here from Cincinnati on that day, along with Mr. Bitting and his own

assistant, to examine the horses carefully. I allowed them to put the horses into a livery stable two days that they might recover from the rack and wear of a long journey on the cars. Under those circumstances the inspectors rejected some 12 or 14 of them. Mr. Bitting seemed to be in a very bad humor about his horses. I could not do anything better for him than to reject them. But at that very hour, while we were talking about them, a requisition came from General Smith, from Paducah, stating that he must have 40 or 50 horses, and sent his quartermaster here to get them. I said to the quartermaster that those horses were at his service if they would answer his purpose. He went to the stable with Bitting and my inspector and looked at the horses. He said they were better than none; that he thought they would pull their wagons, and he took every one of them. I said to Bitting that if they took those horses for General Smith we would accept them although our inspector had rejected them. So I took the whole 50 horses and shipped them in one hour to Paducah. Bitting then came in for a settlement, but I told him I could not settle with him. But as he insisted upon a settlement I told him my objection. I told him the contract was not assignable. He said it was; that I was to pay to Sacchi or his assigns. He for the first time then discovered that the contract was not assignable. It was written "payable to Sacchi or his assigns," because he might die and his widow or executor might want the money. A long dispute arose about that matter. He said that a judge in Philadelphia, who knew more about it than I did, said it was assignable. Bitting was four or five days importuning to get a settlement. I told him that I could at any rate only pay him for those horses, less twenty per cent. though I did not think that I should pay him anything under the circumstances. He was going to proceed against the government for damages because I did not keep an inspector in Canada from the 28th to the 30th of September, and he was prepared to show, he said, that he could have delivered all the horses within those two days. It leaked out that he had in view a fair in some place where he was going to collect all the horses at once, and that the fair was delayed until the last of September. I finally instructed Mr. Clark, the auditing clerk in my office, that if Bitting would renounce forever all claim for damages against the government, and indorse that upon his contract and voucher, I would give him a voucher for all the horses. Bitting demurred at that for two or three days, but finally accepted it. Then I had to consider the matter again. It became a question whether he could do that or not. I never had admitted the assignment, and therefore I would not make out the account in the name of Bitting, but I made it out in the name of A. A. Sacchi, only. Then Bitting was in difficulty again, because Sacchi would have to draw the money. Then it came out from Bitting that Sacchi was nobody—a man of straw, living in a garret in New York, whom nobody knew; a man who was brought out here as a good person through whom to work. That rather recoiled upon Colonel Woods, who brought him to me. I have not seen Woods since, and so the matter stands *in statu quo*.

Question. What representation did Bitting make to you as to the manner in which he became possessed of the contract?

Answer. Bitting, standing up to my table, said "It is a pretty damn hard case this, to be made to suffer in this way; I took this contract in good faith, and at the instance of other parties." I do not know Sacchi; I never saw him, and I do not expect to see him.

Question. Did he tell you who those other parties were?

Answer. No, sir.

Question. Do you know anything about the contract made with Haskell & Co. for a number of mules?

Answer. I know of no contract.

Question. Do you know of any agreement with them, such as you have spoken of?

Answer. Yes, sir.

Question. State to the committee what you know about that.

Answer. I was called upon frequently to inspect and receive mules of Haskell.

Question. First tell the committee what you know about the agreement.

Answer. I know nothing of the agreement, except as it came out in their importunities to receive mules for him. Persons came daily to me to ask me to receive mules on Haskell's contract or agreement. I think I have an order in McKinstry's handwriting, directing me to receive Captain Haskell's mules.

Question. Did you draw up any agreement for Haskell?

Answer. No, sir.

Question. For whom did you draw contracts?

Answer. I drew one for Flannegan for 500 horses, one for a German for 300 horses, and one for somebody else. They delivered their horses upon those contracts, and Major Warring inspected and accepted them.

Question. Was there in the quartermaster's department any record of its transactions and dealings at the time you came there?

Answer. I found none to guide me, and of course I would have inspected none prior to McKinstry's going away, he being *de facto* quartermaster, and in the possession of all the records. But when he left both the law and the army regulations require that he shall transmit to me all the records for my guidance. I, however, got nothing at all. He may not have considered that I relieved him, because there was no order to me to relieve him. I relieved him practically without instructions to that effect.

Question. Do you know anything about the kind of funds which have been paid out by the quartermaster's department?

Answer. I have paid out something like half a million of dollars which was deposited in New York, and which I paid out on usual warrants by checks on New York. Then, I have paid out somewhere in the neighborhood of \$400,000, which I received from McKinstry at various times, part in treasury notes and part in the currency of the State of Missouri, and all of which I paid out as I received it. I always receipted to McKinstry for that money in the usual form: Received of A B, this day, so much quartermaster's funds, for which I am accountable to the treasury of the United States. I objected to that form, as I wanted to receipt for it as so much money. But Mc

Kinstry said that could not be, for he used it as federal money, having borrowed it for that purpose, and having to account for it to the United States treasury and not to the bank.

Question. I desire to call your attention once more to the matter of the blankets. In the original paper, which you have submitted to the committee as the proceedings of the second board of inspection, I find interlined, in blue pencil mark, over the word "blanket," in the sentence "range from \$1 45 down to \$1 18 per blanket" in your recommendation the figures \$3 54. Can you explain that interlineation?

Answer. The interlineation, in blue pencil mark, of the figures \$3 54, I know nothing about, and they were inserted by some person unknown to me.

Question. Your understanding, then, was that these blankets were to be put in to the government at prices ranging from \$1 45 down to \$1 18 each?

Answer. Yes, sir; and that was the reason why I considered them very cheap.

Question. And the lowness of the price was the only reason why you recommended that they should be accepted and distributed?

Answer. Yes, sir.

Question. Please again look at the voucher for these blankets, as settled for by the government with H. C. Davis, and certified to as a true copy by Captain E. M. Davis, and state whether the bills presented to you at the time the board reassembled were in accordance with that voucher, or whether the bills presented to you were for a higher or lower price?

Answer. The copy of voucher for blankets, of H. C. Davis, of August 14th and August 16th, does not contain the prices of the blankets examined by me, and referred to in the proceedings of the board of survey which I have presented.

Question. In what respect do they differ?

Answer. This voucher contains higher prices for the blankets. The prices in this voucher are much higher than the prices contained in the bills presented to me upon the board of survey.

Question. After the first meeting of the board of survey upon these blankets, and its report, did you call upon anybody and request the privilege of re-examining those blankets, or were you applied to for that purpose?

Answer. I was applied to for that purpose, and expressed a willingness to do so. After being told that we examined wrappers instead of blankets, I was anxious to examine the blankets again.

Question. But you made no application in the beginning for the privilege.

Answer. None whatever, that I recollect.

Question. Was it true that the examination of the board in the first instance was confined to the wrappers merely?

Answer. It was not; it is true that in the first examination they did not go into the centre of the bales generally, blankets near the outside being easier to pull out. I must say I am surprised at the bill of blankets which you present me.

ST. LOUIS, *October 23, 1861.*

WM. HAHN recalled.

Question. Does the quartermaster's department pay the men for services in the provost marshal's office?

Answer. Yes, sir.

Question. Upon whose requisition or certificate?

Answer. On Major McKinstry's, or on that of the acting assistant provost marshal. The last account paid was on the certificate of the assistant provost marshal.

Question. In what currency have you paid the men?

Answer. In Missouri funds, or such money as was on hand.

Question. Do you remember of paying a man by the name of Palmer for his services a week ago Friday?

Answer. Yes, sir; the amount paid is entered on my books as \$56, on the 30th of September; but it may be that the money was not actually paid on that day, though I suppose it is the same matter you refer to; it may have been paid subsequently.

Question. Do you remember the sort of funds you paid him?

Answer. No, sir.

Question. Do you remember any transactions with him afterwards in reference to the funds which you paid him?

Answer. No, sir.

Question. Do you remember of the provost marshal, McNeill, coming to you with a man who complained that you had paid him in St. Joseph currency?

Answer. Yes, sir.

Question. You did pay him in St. Joseph currency.

Answer. I suppose so; he said I did.

Question. Where did you get the currency.

Answer. I suppose I got it from the banks; I got it in the usual way.

Question. From what bank?

Answer. I do not remember.

Question. What do you mean by the usual way?

Answer. I mean that I got it as I get the other loans from the banks?

Question. Was that money part of a loan by the bank?

Answer. Yes; sir.

Question. Look at your books and show us the entry of the loan of which that St. Joseph money was a part.

Answer. On reference to my books I find that on the 30th of September I received from the Merchants' Bank of St. Louis \$75,000 in currency; from the Southern Bank, \$10,000 in currency; from the Mechanics' Bank, \$36,000 in currency, and from the Bank of the State of Missouri, \$15,000 in currency.

Question. Do you say that the money with which Palmer was paid came from the funds received from one of those banks?

Answer. Yes, sir.

Question. Which of them?

Answer. I cannot tell.

Question. How came the quartermaster's department to be receiving those funds from the banks that day?

Answer. I do not know.

Question. What vouchers do the banks hold for those funds?

Answer. They hold certificates reading like this: "Received of Mechanics' Bank \$75,000, bankable funds, to be refunded out of the first moneys received at this office."

Question. By what authority does the quartermaster's department take money out of a bank upon such a voucher?

Answer. I do not know; I suppose, however, it has been done all along by order of General Frémont.

Question. You do not know on what authority this particular item was taken out.

Answer. I do not.

Question. What kind of funds do you receive from the government?

Answer. We have received from Washington treasury notes and gold and silver.

Question. And the banks receive that from you in liquidation of this indebtedness.

Answer. I do not know, but I suppose so.

Question. Do you know anything about the terms of these loans?

Answer. I do not.

Question. They receive treasury notes and give you bankable funds at par.

Answer. I understand it is to be returned in just such money as is received by the officer here.

Question. Without any addition of exchange?

Answer. I believe so, but it is only a supposition of mine.

Question. Did you afterwards hear anything from this money you paid to Palmer?

Answer. Yes, sir, I did; he came back to me and told me that I had given him some of this St. Joe money—the Western Bank of Missouri—and asked me to take it back; I told him that when I issued it it was good money.

Question. What did McNeill say to you?

Answer. He told me it was a pretty hard case; that Palmer was a poor man, and all that kind of talk.

Question. What did you reply?

Answer. I told him that I too thought it a hard case, but that I did not feel authorized to take the money back; I told him the money was not bad, but perhaps that it was at a greater discount than other Missouri money; that I would give Palmer a dollar myself, if that would satisfy him, rather than take the money back; I did give him a dollar.

Question. Did you tell him you would divide the discount on the paper between you and him?

Answer. I do not remember of telling him any such thing.

Question. Did you not tell him the money was ten per cent. discount, and that you would divide that discount with him?

Answer. I do not think I did. I did divide the discount.

Question. I ask him whether you told him that.

Answer. I do not remember.

Question. Do you say that you received money from the banks here which was ten per cent. discount, and paid it out at par to those who held the obligations of the government?

Answer. No, sir.

Question. Did you not do it in that instance?

Answer. No, sir.

Question. You paid out that money at par.

Answer. Yes, sir.

Question. What was the discount on that money?

Answer. I do not remember.

Question. Did you not know at the time that it was below par?

Answer. If you mean below gold and silver, I say yes.

Question. Did you not know at the time you paid out that money to that man for his services that it was very much below par?

Answer. Yes, sir; I did.

Question. And you paid it out to him for his services at par.

Answer. Yes, sir.

Question. Did you not know that it was a violation of the law to do so?

Answer. I was ordered to do it.

Question. That is not the question. Did you not know that it was against the law to do so?

Answer. I did not.

Question. Had you any instructions whatever as to the payment of money?

Answer. Yes, sir.

Question. What were they?

Answer. I was to pay out just such money as was furnished me.

Question. Have you given the date when you received these particular sums of money from the banks?

Answer. From the appearance of my books, I judge it was on the 30th of September.

Question. I see, by looking at your books, that on the 4th of October you paid to E. L. Beard \$20,000. Can you state what that was for?

Answer. On account of fortifications in St. Louis.

Question. What kind of a voucher did you take for that?

Answer. He had an order of General Frémont, addressed to the quartermaster, directing him to turn over to Mr. E. L. Beard so much money. A receipt was taken from Beard, and filed with that order.

Question. You considered that a sufficient voucher for the \$20,000.

Answer. Yes, sir.

Question. Is there an open account with Mr. Beard?

Answer. Not that I know of. I think there is not.

Question. You pay him, then, only upon requisitions of that kind.

Answer. That is all.

Question. Can you tell me how much you have paid Beard on account of these fortifications in St. Louis?

Answer. Yes, sir. \$105,000.

Question. Was that all paid upon the same kind of voucher?

Answer. Yes, sir.

Question. I see that on the 30th of September you paid J. S. Pease sundry bills. Of what did those bills consist?

Answer. Of purchases made and services rendered.

Question. Have you those bills with you?

Answer. Yes, sir.

(The witness here presented the bills upon which Pease had been paid.)

Question. How came you to pay Pease money on bills that are made out to the United States by other parties?

Answer. He rendered the goods to the government and the accounts.

Question. How does it happen that you paid Pease a bill of John H. Bowen's, another of Schulenburg & Borckerler, and bills of various other parties, and changed them in your cash account as money paid to Pease?

Answer. Because he rendered the goods and the accounts.

Question. Will you furnish the committee with the bills rendered by the firm of Child, Pratt & Fox, in which they have charged the government with camp kettles?

Answer. I will.

The following bill, furnished by the witness, was here handed to the witness:

The United States, to Child, Pratt & Fox, Dr.

Sept. 1, 1861.	259 camp kettles, 65 cents.....	\$168 35
	10 fry pans, 50 cents.....	5 00
	16 coffee mills, \$1	16 00
	2 meat forks, 40 cents.....	80
	2 meat knives, large, 50 cents.....	1 00
	80 spades, \$1.....	80 00
	65 canteens, corks, and straps, 60 cents..	39 00
	407 pan drawers, 60 cents.....	244 20
	42 shovels, \$1.....	42 00
	3 bugles, \$5 50	16 50
	53 tin plates, 7 cents.....	3 71
	53 tin cups, 4 cents.....	2 12
	616 mess pans, 35 cents.....	215 60
	53 knives and forks, 16 $\frac{2}{3}$ cents.....	8 83
	4 flesh forks, 25 cents	1 00
	969 blankets, \$3.....	2,907 00
	53 spoons, 5 cents	2 65
	6 large spoons, 25 cents	1 50
	386 pair socks, 30 cents.....	115 80
	2,025 pair socks, 33 cents.....	668 25
	363 axes and handles, \$1 50	544 50
	336 hatchets and handles, 75 cents.....	252 00
	215 pickaxes and handles, \$1 50.....	322 50
	670 pair shoes, \$1 75	1,172 50
	1,634 pair shoes, \$1 50.....	2,451 00
	60 pair cavalry boots, \$4 50.....	270 00

Sept. 1, 1861.	84 boxes.....	\$33 95
	3 bales	1 60
	42 drayages	24 60
		9,611 96

I certify that the above account is correct and just, and that the articles have been accounted for on my property return for the quarter ending on the 30th September, 1861.

J. McKINSTRY,
Brigadier General, Quartermaster.

Received, Saint Louis, the 30th of September, 1861, of Brigadier General J. McKinstry, quartermaster United States Army, nine thousand six hundred and eleven dollars and ninety-six cents, in full of the above account.

CHILD, PRATT & FOX.

(Signed in duplicate.)

Question. In the bill which you now hold in your hand at what price is that article charged?

Answer. At 65 cents.

Question. Is that the price which has usually been paid to that firm for that article?

Answer. Yes, sir.

Question. What price was paid by the government to that firm for spades?

Answer. One dollar.

Question. Were the articles furnished upon this bill, furnished at the prices usually paid for those articles to that firm?

Answer. Yes, sir. We usually paid for shovels 90 cents. Those in this bill are charged at one dollar. They were an extra lot.

Question. Do you recollect of any instance in which you bought camp kettles at less price than those contained in this bill?

Answer. I do not recollect of any particular instance, though I believe we have bought them less.

Question. Will you furnish the committee with the bill in which they are charged at less price than 65 cents?

Answer. I will look over the bills and see. There are different sizes of camp kettles.

Question. With the exceptions you have made the prices contained in this bill are the prices which have usually been paid by the government for the articles therein contained?

Answer. Yes, sir.

Question. Can you now furnish the committee with the bill of that firm in which picket-pins are charged to the government?

Answer. Yes, sir; here is the bill.

Question. In that bill what price is charged for that article?

Answer. Seventy-five cents. We have paid sixty-five cents for

some from the same house; more at sixty-five cents than at seventy-five cents.

Question. Was there any difference in the quality of the pins?

Answer. I presume there was.

Question. The price, then, has been sixty-five and seventy-five cents for all picket-pins purchased of that house?

Answer. Yes, sir. We have bought picket-pins at less rates. We have bought them as low as thirty cents.

Question. About how many have been purchased of that house for the use of the government?

Answer. I have no idea how many.

Question. A large number?

Answer. No, sir; perhaps a thousand.

Question. About how many camp kettles have been furnished to the government by that house?

Answer. Say 1,500; possibly more.

Question. About how many pairs of shoes have been furnished by that house?

Answer. Say four or five thousand pairs.

Question. Can you furnish the committee with a bill in which blankets are charged to the government?

Answer. Yes, sir; here is one.

Question. What price was paid by the government to that firm for the blankets furnished by them?

Answer. Three dollars apiece, or six dollars a pair.

Question. Do you know anything about the quality of those blankets.

Answer. I do not.

Question. Will you furnish the committee with a copy of all the bills of Child, Pratt & Fox, embracing all the articles they have sold to the government?

Answer. I will.

ST. LOUIS, *October 23, 1861.*

PETER J. PAULEY, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. Blacksmithing.

Question. Have you furnished any goods to the government under contract?

Answer. No, sir; not directly.

Question. Have you in any way?

Answer. I was a sub-contractor for making some things.

Question. To whom did you furnish those things?

Answer. To the house of Child, Pratt & Fox, of this city.

Question. What kind of goods did you furnish them?

Answer. Picket-pins, blacksmiths' tools, breast chains, &c.; that

is, I did part of the work upon the chains, they furnishing the chains; and some balls and chains, for prisoners I suppose.

Question. Did you furnish these last articles entire?

Answer. They furnished the chains; I furnished the balls, and did the work upon them.

Question. What price did you get from the house of Child, Pratt & Fox for the picket-pins?

Answer. My contract was for forty-five cents each.

Question. What price did they pay you?

Answer. Forty-five cents.

Question. For all you delivered?

Answer. For a part of them which I made lately, they run the price down on me ten cents, though I can hold them, I suppose, for 45 cents.

Question. And you are furnishing them now at 35 cents?

Answer. Yes, sir.

Question. Why did you let down the price?

Answer. They said they thought they could get them here for 35 cents.

Question. Can you afford to make them for 35 cents?

Answer. I can, otherwise I would not make them.

Question. Could you not make those pins for 30 cents each, and make a fair profit?

Answer. I suppose I could.

Question. Would you not be willing to furnish those pins directly to the government for 30 cents each, if you had a considerable number to furnish, as Child, Pratt & Fox have?

Answer. I would, provided I got the cash for them upon delivery.

Question. Is that the lowest price at which you could furnish them, and make a living profit?

Answer. I think it is.

Question. Do you know of any parties that have made proposals directly to the government for furnishing these articles?

Answer. I do not. I have been doing business for that house, and this order came in among other things.

Question. Do you make a contract for all the work you do for them?

Answer. No, sir; only for the picket-pins and for the blacksmith set of tools.

Question. What composes a blacksmith's set of tools?

Answer. I can hardly say. There is a great difference in different sets. A blacksmith might get along with a set of tools which would cost much less than another set, and which had a less number of pieces.

Question. What is your contract with that house for a set of blacksmith's tools?

Answer. We furnish only a portion of a set, and we have furnished a great many other things, too. We furnish tongues, sledges and chisels, and get \$18 90 a set.

Question. What did they add to the set as furnished by you?

Answer. I do not know exactly, but they must have added an anvil, vice, sledges and hammers; and I suppose to some they added files, bellows, and forge. They have a patent forge which they furnish with

what they call a set of blacksmith's tools. There might be something else, but I do not know.

Question. Do you know at what price those articles are put in to the government by the house of Child, Pratt & Fox?

Answer. I do not.

Question. Do you know what price they charged for picket-pins?

Answer. I do not, though I once heard that they got 50 cents. I used to get 50 and 60 cents directly from the government. That was at the time of the Utah war. I told that to Child, Pratt & Fox, but said I would put the price down to them to 45 cents in order to allow them a profit.

ST. LOUIS, *October 23, 1861.*

DANIEL G. TAYLOR, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. Are you mayor of this city?

Answer. Yes, sir.

Question. Do you know anything about the horse contracts which have been made with the government?

Answer. Not a thing.

Question. Do you know of anybody having contracts with the government for furnishing horses?

Answer. None, except such as I have heard from rumor.

Question. Have you heard any rumors of improper conduct in the inspection of horses?

Answer. I know nothing of the kind. All I know is derived from persons who really did not know themselves.

Question. Have you ever heard of large bribes being given to inspectors of horses?

Answer. No, sir. I heard one man say that he had, after a great deal of trouble, got the inspector he wanted. I never heard persons who were interested in the inspection of horses say anything about it. I know of but a single person who had a contract. John Bowen is the only man I ever knew who had a horse contract.

Question. Do you know anything about the building of the railroad in this city to connect the Iron Mountain with the Pacific railroad?

Answer. I know nothing further than that I was informed that they were going to do it.

Question. Was any permission ever asked of the city?

Answer. No, sir.

Question. Were the city authorities ever advised in regard to it?

Answer. They were advised that it would be done. I sent the city engineer down to advise with the superintendent that they might do as little damage to the city as possible.

Question. Did you ever have any conversation with anybody who told you that they were going to make a large amount out of their contract?

Answer. Yes, sir.

Question. Who?

Answer. Mr. Alexander Peterson.

Question. When did you have that conversation?

Answer. It was within the last two months.

Question. What was his contract?

Answer. I do not know that he had a contract himself. He was indirectly interested in a contract for supplying horses.

Question. Did he ever tell you he had difficulty in getting his horses inspected?

Answer. No, sir.

Question. Did any man ever tell you that?

Answer. I think not.

Question. Did Peterson tell you he had to pay a large sum of money to get his horses inspected?

Answer. No, sir.

Question. Did Peterson tell you he was connected with a horse contract?

Answer. He said he expected to make a considerable amount of money out of a horse contract. He did not say with whom.

ST. LOUIS, *October 23, 1861.*

WM. E. SALTMARSH, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis. I have been engaged in steamboating most of my time.

Question. Have you chartered any boats to the government?

Answer. No, sir.

Question. Do you know of anybody that has?

Answer. I know of boats which are said to be chartered to the government, and that is all that I know about it.

Question. Who chartered those boats upon the part of the government?

Answer. That is more than I can tell you. I understood that Captain Abel was the man; but whether that is so or not I do not know.

Question. Do you know anything of the manner in which boats have been chartered to the government?

Answer. Nothing but what I have heard upon the streets. I have understood that some were chartered at \$1,500, and some at \$2,000 a month, but whether it is so or not I cannot say. I have no personal knowledge of the matter.

Question. Do you know of any boats which have been put in at one price to the government, where a different price has been paid to the owner of the boat?

Answer. I do not.

Question. Have you heard of any such transactions?

Answer. I have heard upon the streets that such was the case; but whether it is so or not I do not know.

Question. Have you ever said that such was the mode in which business was done here?

Answer. No, sir ; because I do not know that such is the fact.

Question. And you have no knowledge either directly or indirectly of any such transaction?

Answer. I have not.

Question. And you have never stated that you had any such knowledge?

Answer. No, sir.

St. Louis, *October* 23, 1861.

JACOB P. TIRRILL, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am a merchant.

Question. State what you know of the transactions of any persons in reference to contracts with the government for furnishing horses.

Answer. I do not know anything about those matters.

Question. Have you ever heard anything about those transactions?

Answer. No, sir.

Question. Have you never heard of a transaction with which Governor Barstow, of Wisconsin, was connected?

Answer. Yes, sir ; I have heard something about that from some gentleman here from the east—something about his getting a commission through a gentleman from New York. I know nothing about the contract however.

Question. State all the circumstances, of which you have any knowledge, connected with that matter?

Answer. Mr. Pratt, of New York, who was here some time, told me he came in contact with Governor Barstow. After being here a week or two, Governor Barstow one day told him he believed he should go home the next day, as he did not see any chance of getting anything to do, or of getting any contracts. Pratt told him he thought he could get an order to raise a regiment if he went to work in the right way ; that he could get him a commission through a man by the name of Cowles, I think, by paying \$5,000. Barstow agreed to give \$5,000 if Cowles would get him a commission. Pratt went to Cowles and told him of the agreement of Governor Barstow. Pratt, for his trouble, was to have the furnishing of the carbines and clothing at the lowest rates at which they could be purchased. Cowles said he could get a commission for Barstow ; and he went immediately to General Frémont's headquarters for that purpose ; but the general had just started for Jefferson City. Cowles said he would follow him. He did so, and the next day Barstow was notified that a commission for him was on its way.

Question. Did Barstow pay the \$5,000?

Answer. He was to pay it after the thing was consummated. Pratt, by some means or other, heard, after Barstow got the commission, that he had made a contract with another party for those articles which he (Pratt) was to furnish, thereby throwing him out of it.

Question. Do you know anything about a letter which Pratt wrote to Barstow?

Answer. Yes, sir; I saw it. Pratt showed it to me.

Question. What was the letter?

Answer. Pratt stated in the letter to Barstow that he had taken him for a clever fellow; that he had always thought himself to be a good judge of human nature, but that he had found himself sold in this instance; and that he would leave him (Governor Barstow) to his own conscience in reference to the matter. I believe that was about the purport of the letter.

Question. Did you hear him say what Barstow said he was going to make out of his commission?

Answer. I believe that Pratt overheard him, through a window between their rooms, figuring up with a friend what he would make. I believe they came to the conclusion that he would make \$40,000 upon the horses for the cavalry regiment. They also figured up about how much they would make upon the overcoats, pants, carbines, pistols, &c. I did not hear what conclusion they came to, except as to the horses. I think they were going to make something upon everything except hats; and upon those they concluded they could make nothing.

Question. With whom was Barstow reckoning up the profits?

Answer. With his own quartermaster, I believe.

Question. What is Pratt's business?

Answer. I have understood that he said he was a real estate broker in New York.

St. Louis, *October 23, 1861.*

JAMES BLACKMAN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a dealer in boots and shoes.

Question. Have you made any offers to the government to supply the army with boots and shoes?

Answer. At the commencement of our difficulties, knowing that the government would want a large amount of shoes, I took some samples up to Major McKinstry, as persons in other departments of business were doing, and showed them to him and gave him the price. I went up there a short time since to get the samples, but while I found other shoes there I could not find mine; I thought if I could get them I would know, from the price marked upon them, exactly what I offered them for.

Question. When you made that proposal what kind of shoes did you take up as a sample?

Answer. I offered him what we call a lined and bound pegged welt shoe. It was a light shoe, such as we use for our trade here, and of which we sell a great many. It is not calculated for army purposes, but shoes being scarce, and we having some of those on hand, I made an offer of them, supposing that they would be obliged to take anything they could get that would answer the purpose. I believe I offered them at \$1 25 per pair. That was our regular price for the shoe. The other shoe I offered was an unlined shoe of a low cut.

Question. Were they fit for army purposes?

Answer. Hardly; it was a common country shoe, and would not compare with the shoes we are now furnishing. It was a shoe of but one sole and a welt, while the shoes we are now furnishing have two soles. I offered that shoe at \$1 30 per pair. I had another shoe which laced up in front, which had a welt and one sole, and that I offered at \$1 40.

Question. What was the result of your proposal?

Answer. Those samples I placed upon Major McKinstry's table, and told him I could furnish him any amount of them. We were prepared to furnish a large quantity, as we were dealing largely—probably doing as much in our line as any other firm in the State.

Question. What is the name of your house?

Answer. J. S. Comstock & Co. My partner is about the oldest shoe dealer in the city.

Question. Did you receive a contract or order to furnish any of these shoes?

Answer. Major McKinstry merely made the remark that he would examine them.

Question. Have you at any time since dealt directly with the government in furnishing shoes for the army?

Answer. I have sold to outside parties, who I presumed were furnishing shoes to the government.

Question. To whom?

Answer. To Child, Pratt & Fox, of this city. I suppose they were for the government. At any rate they ordered goods from me, and I filled the order.

Question. How many shoes do you think you have furnished them?

Answer. Really I do not know that I can say—somewhere between fifteen and twenty thousand pair.

Question. At what price?

Answer. I believe they paid me \$1 25, \$1 33 $\frac{1}{3}$, and \$1 41 per pair, according to the quality.

Question. What was the character of the shoes?

Answer. The \$1 25 shoe was about such a shoe as I showed McKinstry at that price.

Question. What were the others?

Answer. I think they were about the same as I offered to McKinstry.

Question. You sold to them, as far as prices and quality are concerned, at about the same rate that you offered to sell to the government?

Answer. Yes, sir.

Question. Do you know at what prices Child, Pratt & Fox sold them to the government?

Answer. I do not.

Question. What proportion of the shoes you sold to them were of the \$1 25 kind?

Answer. A small proportion of them. The larger part were of the best kind, at \$1 40.

Question. Have you sold any shoes directly to the government since Major Allen came into the quartermaster's department here?

Answer. Yes, sir; I have sold some through Mr. Chouteau. A requisition for shoes was handed over to me by him, and I filled it; and the shoes went to the government at the price I charged.

Question. Then you may fairly say that they were sold directly to the government?

Answer. It amounts to the same thing.

Question. At what prices have you sold shoes to the government since?

Answer. The shoes I sold through Mr. Chouteau were \$1 45 a pair. They were the very best quality of pegged shoes, double soles, high cut, double counter, and about what we call prime.

Question. Were they made of oak-tanned leather?

Answer. I do not know.

Question. How many shoes have you sold to government in that way?

Answer. I have made but one sale, and that was of 4,000 pairs.

Question. Could you have furnished directly to the government the shoes which you sold to Child, Pratt & Fox, and at the same prices?

Answer. Yes; I had shoes to sell and was willing to sell them to any one who wanted them.

Question. Have you had experience in sewed and pegged work?

Answer. I have had no experience in regard to sewed work any further than having had some sewed work on sale; I have dealt in it but very little, finding that it was unsalable in this country. A sewed boot or shoe is considered a poor article for this western country. The soil is such as to decay the stich in sewed work. The muddy soil tears the shoe all to pieces and makes it like a sponge; while a pegged shoe is held together by the pegs.

Question. Is it your opinion that the pegged shoe is the best for army purposes?

Answer. Decidedly.

Question. Is the pegged shoe usually furnished to the soldiers here?

Answer. Yes, sir. Some sewed shoes have been furnished, but the quantity is small compared with the amount of pegged work. In reference to the first shoes furnished here for the army, I heard Fox say he did not like to furnish such shoes, that he wanted better ones, but that McKinstry said the soldiers were barefooted and he must have shoes, and that if good shoes could not be obtained they must take what they could get.

Question. The call for shoes was very great, and you think some poor shoes must have been taken by the government?

Answer. Undoubtedly. Some shoes were sent here which turned

out to have wooden bottoms. They were sent from New York, and I heard Fox say that when it turned out that they were such he sent down and ordered them to be returned.

Question. Do you know what he agreed to pay for them?

Answer. I do not. He bought at several times, I should judge, about all the shoes there were in this city. There was a great scarcity of them, and they had to take what they could get.

Question. Do you know Hallowell, of Boston, who furnished shoes to the quartermaster's department here through his father-in-law, Captain E. M. Davis, a member of Frémont's staff?

Answer. I do not. A great many shoes have been sent here from other directions, but where they came from I do not know.

Question. How long do these pegged shoes last the soldiers?

Answer. I do not know. I have had no opportunity to judge. A good shoe has not yet been worn long enough to be tested.

Question. Are Child, Pratt & Fox engaged in the shoe business?

Answer. No, sir. Fox came to me one day and asked me if I had any shoes. I told him I had. He said he wanted to buy some. I gave him my prices, and he bought what I had. He remarked that he wanted a good many, and I know that he bought of other houses. They bought what they could here, and what they could not buy here they sent east for. Fox, so far as I can judge from my dealings with him, is a perfect gentleman, and in turning in goods he seemed to be anxious that they should be of a good quality.

Question. Could any agent of the government purchase of you, and of all these other parties, those shoes at the price for which they were sold to Child, Pratt & Fox?

Answer. Yes, sir.

Question. You have no doubt upon your mind, then, that all the goods supplied to the government could have been supplied by an agent of the government, applying directly to parties having goods to sell, as well as through the house of Child, Pratt & Fox?

Answer. So far as our goods are concerned they could have been.

Question. To get those goods, would it not have been the business way to apply to the parties holding them?

Answer. I should think so, just as Chouteau is doing now. He goes to the different houses and says: "I want so many goods, can you supply them, and at what price." He takes the prices, and after examining the goods and prices, if satisfied, he gives an order to have so many goods sent up to the warehouse. The government then only pays what the first hands ask. The services of Chouteau are voluntary, and the government pays no addition to the price which he agrees to pay. He renders voluntary aid to the quartermaster's department in making these purchases. By the course which Chouteau takes, dealers are brought face to face with the government.

Question. And that, in effect, amounts to supplying goods to the government at first hands?

Answer. That is the result.

ST. LOUIS, *October 24, 1861.*

JOHN D. PARK, being duly sworn, was examined as follows :

Question. What official position, if any, do you hold in connexion with the army ?

Answer. I am quartermaster of the Black Hawk cavalry regiment.

Question. Will you state to the committee the circumstances connected with the furnishing of horses to your regiment ?

Answer. Not far from the 1st of September I was in St. Louis, and Colonel I. C. Woods, General Frémont's secretary, proposed to send us some horses from here. I went home, and was to telegraph him on the subject. The day after I got home to Warsaw I got a telegraphic despatch from General Frémont, saying that he would send two hundred and fifty horses, and requesting an answer. I telegraphed back to send us the two hundred and fifty, and five hundred if he could. The result was that they sent four hundred and eleven horses.

Question. How ?

Answer. By two steamers to Warsaw.

Question. When was that ?

Answer. Perhaps it was six weeks ago. The horses have been in camp ever since, and we have been feeding them. On the 20th of this month a board of survey was ordered, consisting of Major David McKay, Captain George Rockwell, and Lieutenant John Schee. Out of the four hundred and eleven horses that board selected only seventy-five as fit for service.

Question. From the time you received those horses up to the time when the survey was made were those horses in service ?

Answer. Not at all. They were kept according to the army regulations ; were well taken care of, and received no injury whatever. Five of them died, and the remainder, three hundred and thirty, were pronounced as totally unfit for service. They had every disease known to horses. They were under-sized, under and over aged, stifled, ringboned, blind, sprained, and incurably unfit for any public service. Such was the report of the board of survey. The report was made to me on Monday night, and I handed it over to General Prentiss.

Question. What has become of the horses ?

Answer. We have turned them over to the farmers, who can keep them a little cheaper than we can. We are awaiting the approval of the finding of the board of survey by General Prentiss, before getting rid of the horses.

Question. Can these condemned horses be of any possible use to the United States ?

Answer. The board of survey say they cannot, and I am of that opinion. There are none of them that can be serviceable to any extent. The board of survey say, in their report, that they are said to be the refuse of the Missouri contract. What that Missouri contract is I do not know. Captain Turnley told me, however, that it was a fact that they were the refuse of the Missouri contract.

Question. What was the cost of shipping those horses from here?

Answer. I do not know; they were sent by special steamers.

Question. What has been the cost of keeping those horses since they came there?

Answer. About \$1 18 each week for each horse, which would be \$2,909 88 for six weeks for four hundred and eleven horses.

Question. Would there have been any difficulty in purchasing horses in the neighborhood where your regiment is stationed?

Answer. None whatever. I very much desired to have permission to purchase horses there, where I could probably have bought them twenty dollars a head less than what these horses cost, and good horses for the service. We are now instructed to go on and buy our horses at \$115 a head.

Question. What did the horses which were sent to you cost the government?

Answer. I cannot say what they were put in at to the government, but the bill of them, which was presented to me to receipt, was \$130.

Question. Who sent that bill to you?

Answer. It came from the quartermaster's department here. I do not recollect whose name was signed to it.

Question. What was the object of putting into the bill the price of the horses?

Answer. I do not know. That is the only instance in which a bill with price inserted has been sent to me.

Question. Can you not give the name of the party who sent the horses to you?

Answer. I cannot.

Question. If those horses were charged to you at \$130 apiece, what would be the loss to the government upon the three hundred and thirty-one which were condemned, if they cost the government what they were charged at to you—that is, supposing they were utterly worthless?

Answer. They would entail a loss upon the government of \$43,030, less what small sum those horses might sell for. I do not think the government will get out of it at a loss of less than \$40,000.

Question. What is the value of those horses?

Answer. The board of survey say they are worthless.

Question. Are they not worth something?

Answer. There are some among them that are not worth a dollar. I do not think the whole lot of three hundred and thirty horses would sell for ten dollars each.

Question. Has the government received any other damage than the loss of the horses by the sending of such horses to you for the use of a cavalry regiment?

Answer. Yes, sir; we suffered a detention in filling up our regiment from the fact that people objected to being mounted on such horses. Men who otherwise would have enlisted would not enlist on that account.

ST. LOUIS, *October 24, 1861.*

WILLIAM HAHN re-called.

Question. Have you prepared copies of the bills rendered to the quartermaster's department by the house of Child, Pratt & Fox?

Answer. Yes, sir; here they are.

Question. Is the package of vouchers rendered by you, and marked "paid," correct copies of the original bills as rendered by Child, Pratt & Fox to the quartermaster's department, and which were paid by your department?

Answer. Yes, sir.

(The bills will be found in appendix "G.")

Question. Is the package of vouchers you present, and marked "not paid," correct copies of bills rendered by Child, Pratt & Fox to the quartermaster's department?

Answer. Yes, sir.

(The bills will be found in appendix "H.")

Question. Have you in your possession the voucher for the government wagons which came to this city over the Terre Haute and Alton railroad, from Indiana or Illinois?

Answer. I have it at the office. They came from Milburn, Everhard & Co., Indiana.

Question. How many of them were there?

Answer. I think we have paid for two hundred and fifty.

Question. At what rate?

Answer. The contract as made by the quartermaster general stipulated \$120 or \$130, I believe.

Question. Are the wagons at the corner of Third and Poplar streets a portion of that lot?

Answer. I do not know. I think all those which have been paid for have been received and sent into the country. On consideration, I do not think the wagons you have referred to are from the house I have mentioned.

Question. Have you the account rendered for the wagons which came by the Terre Haute and Alton railroad?

Answer. I do not know. We have received wagons from Philadelphia, Pittsburg, and Cincinnati, and some wagons have been purchased by the quartermaster at this place. The purchase I speak of was not made by General McKinstry, but he was ordered to pay the account. They were ordered by the quartermaster general at Washington.

Question. Has the assistant quartermaster here made any contracts for wagons?

Answer. I do not know. We have purchased wagons.

Question. Of whom has Major McKinstry bought wagons?

Answer. From Robert Dougherty, of this city.

Question. Do you know where the wagons are which were so purchased?

Answer. I do not.

Question. Have they gone with the service?

Answer. I think they were purchased as the necessities of the service required, and sent into the field immediately.

Question. Can you ascertain and let the committee know where the wagons which stand at the corner of Third and Poplar streets came from.

Answer. I think I can.

St. Louis, *October 24, 1861.*

CHARLES W. FORD, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am agent of the United States express company.

Question. State whether the company of which you are agent has been carrying freight for the government; and if so, to what amount.

Answer. The abstract which I hand you contains all the information which your question calls for.

The following is the abstract furnished by the witness:

United States Express Company.

No. of boxes, &c.	No. of pounds.	Whence received.	To whom addressed.	Articles.	Rate.	Amount.	Remarks.
452 boxes -----	176,382	Boston -----	J. C. Frémont -----	Tents -----	\$5 00	\$13,819 10	Aug. 8 to Oct. 24.
1 bale -----	230	New York -----	J. C. Frémont -----	-----	5 00	11 50	Aug. 8 to Oct. 24.
96 boxes -----	234,113	Chicago -----	J. C. Frémont -----	-----	1 00	241 60	Aug. 8 to Oct. 24.
49 boxes -----	5,567	Boston -----	Major McKinstry -----	-----	5 00	247 30	Aug. 22 to Sept. 28.
129 boxes -----	18,809	Chicago -----	Major McKinstry -----	-----	1 to 1 50	251 10	Aug. 22 to Sept. 28.
79 boxes -----	7,452	New York -----	C. T. Alexander -----	-----	4 50 to 5 00	360 50	Aug. 21 to Oct. 24.
37 boxes -----	9,936	Chicago -----	P. T. Turnley -----	-----	1 to 1 50	125 00	Aug. 21 to Oct. 23.
10 boxes -----	1,310	New York -----	F. D. Callender -----	-----	5 00	65 50	Aug. 8.
13 boxes -----	6,955	Cincinnati -----	F. D. Callender -----	-----	2 00	139 10	Oct. 22.
5 boxes -----	1,871	Chicago -----	Colonel D. Stuart -----	-----	1 00	18 71	Oct. 1.
17 packages -----	7,960	Chicago -----	"B. B.," Douglas brigade -----	-----	1 00	79 60	Oct. 7.
13 boxes -----	1,345	New York -----	Dr. J. W. Bailey -----	-----	5 00	67 25	Aug. 28 and 30.
5 boxes -----	1,232	Dunkirk -----	Care of E. M. Davis -----	-----	3 73	45 95	Sept. 10.
11 boxes -----	5,410	Chicago -----	W. G. Rankin -----	-----	1 00	54 10	Oct. 2 to Oct. 23.
10 boxes -----	4,160	Boston -----	W. G. Rankin -----	-----	5 00	208 00	Oct. 10.
						15,735 31	

Question. What are the rates you have charged to the government?

Answer. The same that we charge to individuals, I think. Some of the freight has been delivered cheaper than we have delivered to merchants, as there has been some considerable competition between express companies in New York to get the government freight, and in doing that they have reduced the prices. Our freight has been \$5 a hundred from New York, until this month. Now we charge only \$4 50.

ST. LOUIS, *October 26, 1861.*

THOMAS LOUGH, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am agent of Adams's Express Company ; but not until the last two weeks.

Question. Who was the agent of the company preceding you?

Answer. Mr. King.

Question. Has that company been transporting any freight for the government?

Answer. Yes, sir, considerable.

Question. What amount has it transported since the breaking out of this war?

Answer. As I supposed that the object of subpoenaing me was to obtain that information, I took occasion to look and ascertain what we had carried, and at what charges to the government.

Question. Please state the rates of express charges.

Answer. The freight by Adams's express, which goes through on passenger trains, is charged \$4 50 per hundred pounds, from New York. Freight carried by fast freight trains from New York is charged \$1 90 per hundred. From Philadelphia, \$4 per hundred is charged for express freight; from Washington City, \$5; and from Pittsburg, \$3. Fast freight, from Pittsburg, is \$1 per hundred, but in one instance we charged \$1 25 per hundred, as a train was specially set apart for the carriage of heavy guns, carriages, and battery complete. From Cincinnati, we have carried for the army, under special contract, at \$1 50 per hundred, comprising arms and clothing. For saddlery and light goods, and rifles which we took from Greenwood's rifle factory in Cincinnati, free of drayage, we charged \$1 65 per hundred.

Question. What is the whole amount of your bill against the government?

Answer. It is \$34,505. Of that amount, \$9,500 has been paid, and \$25,000 are bills now on hand; some of them certified to, and some not. Those bills include all charges paid. For instance, we frequently pay charges in the cities of New York, Philadelphia, and frequently also to railroad companies. There was one item of charge of \$100, which I noticed upon one piece of ordnance. It is the opinion

of Mr. Anderson, our cashier, who has charge of our accounts, that full one-half of our bills are for fast freight and charges paid.

Question. Can you tell the item of charge upon 25,000 guns sent from New York?

Answer. I understood that those were brought through by the fast freight train, but I am not certain about it. I saw an account in the papers of the arms coming through by the Adams's Express Company, and I think I asked the agent whether they came through in that way. He said they did. I do not know what the charge was.

Question. Have the prices named by you been the prices charged during the last summer?

Answer. No, sir. I believe there has been some competition for freight, at times, and then the rates to St. Louis were reduced. However, that was temporary, and they finally arranged to put the price up again. How long that state of things lasted I do not know. That was before my connexion with the company.

Question. When was the price put down to \$4 50 for express freight?

Answer. That is the full price.

Question. Is that the highest price paid?

Answer. Yes, sir. We have no higher charge.

ST. LOUIS, *October 24, 1861.*

GEORGE H. SMITH, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am agent of all the telegraph lines.

Question. You have the supervision of them?

Answer. Yes, sir.

Question. Have you any contract with the government for telegraphing?

Answer. No, sir. I am now building a line for the government in the capacity of a commissioned officer.

Question. Have you had no contract with the government for all the telegraphic business done for the government?

Answer. No, sir.

Question. On what terms have you done the telegraphing of the government?

Answer. At the same rates we have charged to individuals.

Question. Are you under the control of the government?

Answer. Yes, sir; we are under a military supervision.

Question. What are your instructions?

Answer. I am acting under instructions from General Frémont.

Question. What are those instructions in regard to the transmission and reception of messages?

Answer. I have no instructions in regard to the transmission and reception of messages, at present.

Question. Do you say you have no instructions in regard to the messages you transmit?

Answer. None. We are very careful as to what messages are charged to the government. In order to charge them to the government they must have the indorsement of either General Frémont, himself, or Captain Davis. They write on them, at the bottom, to this effect, "This is chargable to the government."

Question. Have the government officers a supervision of what is transmitted over your lines?

Answer. I, as a government officer, have had a supervision of all that has been transmitted. My office of supervisor I received in July last, from Harney and Lyon. That appointment was indorsed over by General Frémont. The first business I did for the government was in August.

Question. Do you supervise despatches for the government at the present time?

Answer. Yes, sir.

Question. You are authorized to send anything or retain anything you please?

Answer. No, sir; I am not authorized to retain anything, nothing, unless it comes in conflict with the orders of the Secretary of War. That is the standard by which I regulate my action.

Question. Then the order issued by the Secretary of War is the standard by which you judge of despatches?

Answer. Yes, sir.

Question. Are the despatches which are brought into your office here ever submitted to the military authorities of this department?

Answer. They are if they are what we here denominate contraband.

Question. Who is to judge of that?

Answer. Myself, or persons whom I appoint. In my absence I have appointed the first operator in the office to inspect such despatches.

Question. Is the chief operator sworn?

Answer. Yes, sir; every operator in the office is sworn.

Question. To whom have you, or any of your subordinates, submitted such despatches as in your opinion were excluded by the instructions?

Answer. To General Frémont.

Question. Have they been submitted to any person besides General Frémont—to any persons about this office?

Answer. They are sent to headquarters; and in the absence of General Frémont to the adjutant general.

Question. Are they ever sent to his military secretary?

Answer. I cannot say positively into whose hands they fall at the headquarters; I know I sent them to the headquarters for General Frémont's inspection. However, we have but very few despatches of that kind. Reports for newspaper presses we do not send anywhere. When I find a newspaper despatch, which I do not think it right to send, I cross it and do not send it to any one; but private messages which are contraband I refer. We have had but few of those.

Question. You conceive that at headquarters they have a right to look at all of your despatches?

Answer. Yes, sir.

Question. Have they ever exercised that right?

Answer. No, sir; I do not know as they have ordered any despatches withheld.

Question. What amount has been paid by the government to these telegraph companies?

Answer. The joint bills must be in the neighborhood of from three to five thousand dollars a month.

Question. Could not the companies afford, in doing a large business for the government, to make a discount from the usual rates?

Answer. I do not know; the companies have been to extra expense for additional operators. They have made extra outlays to accommodate the business of the government. There is one feature about our business with the government which requires consideration. For instance, we receive ten dollars on a message going to Washington, and one half or nearly that is paid to other companies which join ours; so that out of a bill of \$5,000 we, in fact, only receive one-half—the other half belonging to other companies.

Question. Yes, but do you not receive a corresponding amount from other companies upon despatches coming this way?

Answer. Yes, sir.

Question. And does not that equal in amount what you pay to the other companies?

Answer. I do not know how that is, but I should think so.

Question. What is the character of your employment under the government?

Answer. I am commanding the telegraphic corps, building lines for the department, and taking charge of the line now used by the government.

Question. How long a time have you been so engaged?

Answer. Since the middle of August.

Question. Prior to that time what was the character of your connexion with the government?

Answer. I had no connexion with the government previous to that time. I had an appointment as supervisor of despatches under Hunter and Lyon. That appointment existed prior to that time, and has been continued by General Frémont.

Question. So that your present engagement not only extends to the supervision of despatches, but to the construction of telegraph lines?

Answer. Yes, sir.

Question. What lines are now being constructed by the government?

Answer. One to Sedalia, one to Rolla, and several lines in this city uniting the various points.

Question. Are all the lines centering in this city carried to headquarters?

Answer. All except one, which is unfinished. That is under orders to be put through, but we have not yet had time to do the work.

Question. Is an operator necessary at headquarters?

Answer. Yes, sir; we keep two there. We formerly kept three there, but since General Frémont has been in the field I think we have got along with two—one for night work and one for the day.

Question. Are despatches sent from headquarters without your supervision?

Answer. The lines are all connected, so that I know everything which is sent.

Question. In what manner are those lines being constructed to Sedalia and Rolla? By contract?

Answer. No, sir; the men employed in constructing the lines are regularly mustered into the service, and are employed in the construction of these lines rather than in performing military service. The materials are purchased at the best advantage, and the lines are put up in the best manner with the forces mustered in.

Question. You do not mean that these men are employed as soldiers?

Answer. Immediately upon being sworn in they were detailed for that purpose, but received an additional compensation. Each one of them receives the compensation of engineers.

Question. State what your own salary is, and the nature of your compensation in the two characters in which you act.

Answer. I cannot do that. I have never received a cent from the government, and have never received an intimation of what my salary will be. I was strongly urged to take command of this corps, and I vacated a very lucrative position to do so, but what my pay will be I do not know.

Question. Do you hold a commission from General Frémont?

Answer. I had a captain's commission sent me upon the first organization of the corps. Since that time there has been a second company of working men added to the corps, and a company composed exclusively of operators.

Question. How large a company?

Answer. I cannot state the exact number, but I should say in the neighborhood of fifty. We need more constantly. Then there is a fourth company of guards, not yet fully organized. A part of them are sworn in.

Question. State in what manner the compensation of this corps of operators is fixed.

Answer. It is not yet fixed at all. I have been endeavoring to get it arranged, but have as yet been unable to do so. I have orders from Major Plumley, who has the matter of telegraphing under his charge, to get operators in any way I can, and he will see me through. All that have joined the corps have been informed that the arrangements were yet uncertain, but that their pay would be as much as upon ordinary lines.

Question. Do you hold the commission of captain of infantry?

Answer. No, sir—captain's commission in the engineer corps.

Question. So that in addition to that commission you have yet to determine what is to be your compensation?

Answer. I have no idea what my compensation will be.

Question. What do you understand the order of the Secretary of War is in reference to despatches?

Answer. That anything in reference to the movement of the troops is to be submitted to the commanding general.

Question. Have you submitted any other despatches to headquarters except those about the movement of troops?

Answer. I think I have submitted a very few others.

Question. Is there anything to prevent every despatch which is sent from this city, or every despatch received in this city, from being known at headquarters?

Answer. Despatches coming from Cincinnati or the east could not go to headquarters until within a very short time, because we had not connected them with that line.

Question. As a matter of fact, since the month of August, since you have held your present commission under General Frémont, have any communications in reference to the movement of our troops, in reference to the conduct and management of the war, in reference to the conduct of public officers connected with it, been received in this city or passed from it which were not subject to the supervision of the commanding general of the army of this section of the Union, or of persons directly under him?

Answer. There have been so many despatches sent that I could not state positively.

Question. What has been the general rule?

Answer. The general rule is that all despatches of whatever nature are subject to inspection. In my absence the chief operator is authorized to inspect those despatches, and if anything contraband appears he is authorized to refer it to headquarters.

Question. State in the manner in which you have construed the order of the Secretary of War, or any other instructions you have received, what you mean by contraband.

Answer. What I intend to convey by that word is information in reference to the movement of troops, and transactions by people here with persons south. I have a distinct remembrance of one despatch which I referred to headquarters. It was in reference to the shipping of produce in Arkansas which I had every reason to believe was intended for the use of the southern troops. But that was some time ago.

Question. You have mentioned two classes of despatches. Now have any other class of despatches sent from this city been regarded as contraband in the sense in which you use the term?

Answer. Not to my knowledge. No private despatches, unless they interfered with, or gave information of, the movement of troops have been at all interfered with.

Question. Had not those operators at headquarters had the opportunity of knowing, and have they not in fact known, all the despatches which have gone from or received in this city?

Answer. Not until quite recently, and even there they are under as strict orders as anywhere else to preserve perfect secrecy. The inspector of despatches is here on Locust street, and not at headquarters.

Question. But his is under the direction of General Frémont?

Answer. Yes, sir.

Question. So that every despatch has been under the supervision of headquarters. Could not they see everything there?

Answer. No, sir. The lines have not been all finished until lately, and even now they do not take off the despatches there unless they are sent there; and every operator is under oath of secrecy.

Question. If I go down to the office and send a despatch to Washington cannot the operator at headquarters know what the despatch is, and what answer I receive?

Answer. He might now.

Question. And for what length of time back?

Answer. Perhaps three weeks—possibly longer; ever since the line has been built out there.

Question. Do you know of any despatches which were written by Governor Gamble, or by some member of the State government, for the purpose of transmission to Washington, being submitted to supervision at headquarters, and finally ordered not to be transmitted?

Answer. I have no knowledge of any such transaction.

Question. Have you regarded despatches which reflected on the manner in which the war was conducted, or on the agency of any person connected with it, or on the conduct of that agency, as contraband because they pertained to the movement of troops?

Answer. I have never had occasion to pass inspection upon any such despatches. My impression would be that if they had reference to the movement of troops I should submit them to headquarters.

Question. Suppose the despatch referred to the efficiency or inefficiency in which the war was conducted, would you, under your instructions or otherwise, regard it as a despatch affecting the movement of troops, and therefore contraband?

Answer. Inasmuch as I have never had occasion to inspect such a despatch, I think I should consider in the first place who was sending it.

Question. With what gentleman connected with the army have you conversed during the last two months in regard to the character of despatches sent from your office?

Answer. With none. General Frémont has never given me any instruction in regard to the inspection of despatches, and I have never been ordered either by him or any one connected with him to inspect or to withhold any despatches.

Question. What has been the character of the despatches which have been sent at the expense of the government?

Answer. Entirely government business, I should judge. The despatches to and from Washington, some despatches to New York in regard to arms, some in regard to transportation, and perhaps some to Chicago in regard to materials, were all carefully inspected at headquarters by the appointed agent to examine into them.

Question. Who was that agent?

Answer. Captain E. M. Davis. I know the accounts were carefully examined at the quartermaster's office before they were paid. I know that several which got accidentally into the account were thrown out.

Question. What was the character of those so thrown out?

Answer. One was a family despatch from some officer to his wife.

Question. Was that indorsed by Captain Davis?

Answer. No, sir. All that were indorsed by him were passed by the quartermaster.

Question. Now, under the general instructions you had, and the construction you placed upon those instructions, I desire to know whether a despatch, signed by a private citizen of St. Louis, of known loyalty, to the public press of other cities or to members of the cabinet, reflecting upon the manner in which the war had been conducted, or the failure to relieve Lyon, or the failure to relieve Mulligan, or the like, would be regarded by you as a despatch which should be sent, or which should not be sent?

Answer. I hardly know how to answer the question. If I were to see a despatch I could form an opinion very quickly, but I can hardly answer by supposititious cases. My opinion would be that if a message were delivered to me by a private citizen of this place to another private citizen here or elsewhere, or to a member of the cabinet, I would not have any right to suppress it, if it contained nothing more than his opinion of the way in which the war was conducted. If it reflected in terms so strong that I might consider it as giving aid and comfort to the enemy, I should feel bound to submit it to headquarters for inspection. I do not think I should feel bound to interfere at all with general opinions of the manner in which the war was conducted, whether of praise or censure.

Question. Suppose a despatch was handed in to be transmitted to the public press, censuring the failure to relieve Lyon, or to relieve Mulligan, or the like, would you send such a despatch?

Answer. I think not. It is a common occurrence to throw out despatches to the public press.

Question. If a communication were addressed to a member of the cabinet, containing clearly a censure of the manner in which the war was conducted here, would you feel it your duty to refer such a despatch to headquarters?

Answer. That would depend altogether upon the character of the person who sent the despatch.

Question. Suppose it was from a loyal citizen, but adverse to the manner in which the war was conducted?

Answer. I rather think I should feel bound to send it, if the author was a responsible man, and one of known loyalty.

Question. Suppose it was severely censurable?

Answer. I can hardly imagine just such a case.

Question. Suppose it was severely censurable, asserting that Lyon could have been relieved, or that Mulligan could have been relieved?

Answer. I do not think I should send such a despatch.

ST. LOUIS, *October 24, 1861.*

DANIEL G. TAYLOR recalled.

Question. In your examination yesterday I did not understand the Christian name of the man Peterson, to whom you referred?

Answer. His name is Alexander Peterson.

Question. State what conversation you had with Peterson in regard to the inspection of horses and in relation to a contract to supply horses.

Answer. His remark was simply that he would make a very considerable amount of money—naming, I think, \$20,000 out of a horse contract. I asked him if he had a contract. He said that he had not, but that he was interested in one, and that they had some difficulty in getting the right man to pass their horses—I believe that was the language used—but that finally they got the man.

Question. Did he tell you what the difficulty was?

Answer. No, sir. A man to whom I was selling some horses for the city told me that it would be necessary to give an inspector \$20, and then I could get the horses in; that he had tried them two or three times, but they would not pass.

Question. Did Peterson say that they would have to pay an inspector a bonus before they could get their horses passed?

Answer. No, sir; Jesse Arnot told me that.

Question. Did he state that he had any knowledge of money having been paid for that purpose?

Answer. No, sir. He said so because he saw so many horses much poorer than his pass, while he could not get his through.

Question. Do you know of Peterson having afterwards to pay anything?

Answer. No, sir. Probably the conversation which I have detailed to you is all that ever occurred. I do not know that Peterson had any contract except from what he himself said.

Question. He stated that he had difficulty in getting the right man.

Answer. Yes, sir.

Question. What do you understand from that?

Answer. A man that would pass his horses; that was what I inferred.

Question. Did Peterson say that either he or the parties interested in the contract had to pay the inspector a bonus?

Answer. No, sir.

Question. Did you sell your horses?

Answer. Yes, sir.

Question. To the government?

Answer. No, sir.

Question. Did they go to the use of the government?

Answer. Yes, sir.

ST. LOUIS, *October 24, 1861.*

CHARLES H. TYLER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am in the grocery and liquor business.

Question. Have you any contract with the government?

Answer. Not directly.

Question. Have you any, or have you had any, indirectly?

Answer. I have been dealing in stock for parties having contracts.

Question. For what parties?

Answer. I have furnished stock to Jim Neil, to John Allen, to Flannigan, and to one other person. I believe those are all the parties I have furnished horses to.

Question. How many horses did you furnish to each one of those parties?

Answer. I cannot tell. They have been furnished at different times; sometimes four or five a day, sometimes two, and sometimes one.

Question. State, as nearly as you can, the number of horses you put in through Neil?

Answer. I sold Neil, on the day he and Allen had an inspection, five horses, and at another time four, making nine in all.

Question. What price did Neil pay you for them?

Answer. I think it was \$102 50 apiece for four cavalry horses, and \$120 for one artillery horse. I do not know what I got for the other four.

Question. Who inspected the horses?

Answer. Neil did himself.

Question. Was he a government inspector?

Answer. I did not know anything about his being a government inspector until that day. The night before he met me and asked how many horses I had. I told him 25. He asked me what I would let him have them for. I told him the usual price. I had been getting \$105 for cavalry and \$110 for artillery horses. He said he would pay \$102 50 for cavalry and \$120 for artillery horses. He asked me if I would bring them up. I told him I would. I brought them up, and he himself was the inspector. I expected, from the dealings I had had with him, that he would give me some attention, and if I had horses he would take them. When I found out that they were going in his name I was not anxious to let him have them. I supposed they were going in in Allen's name. Finding it was not so, I was rather indifferent about it, and I let him have only five.

Question. Why was your indifference as to Neil?

Answer. Because I did not consider him O. K.

Question. Why?

Answer. I knew he was worth nothing, and that nothing could be got from him. I hold his paper now. True, he has a claim against me, but he never would pay a note he owes me. The next morning, when the time came to pay for the horses which he bought, he asked me to write receipts for other parties as well as for myself, and to count his money. I did it, but should not have done it except to secure my pay. He never before or afterward inspected any horses for me.

Question. Who inspected the horses put in by Flannigan and those other men?

Answer. Wade, Daniels, and other government inspectors.

Question. Did they have any difficulty in getting them inspected?

Answer. None that I know of.

Question. Do you know what the government was giving for the horses which you sold to Neil for \$102 50?

Answer. No, sir; only from a general knowledge that they were giving \$119 for cavalry and \$150 for artillery horses.

Question. Do you know of any parties who have paid to any inspectors any sums of money for the purpose of inducing them to inspect and pass their horses?

Answer. I cannot say that I do.

Question. State what you know about any such transaction.

Answer. I have heard of something of the kind, but I do not like to repeat it, because I cannot state positively that it amounted to the payment of a bribe.

Question. State what it was.

Answer. I had, at one time, some horses on hand, ready to be inspected, and a man, I now forget who it was, asked me, one rainy evening, why I had not gone up to the inspection that day and put my horses in. I told him it was a bad day and I did not care about going. Said he "They were taking all kind of stock there this afternoon." I asked him what they were paying. He said they were paying \$85 a head, and that he got in those plugs of his. I laughed, and he said he slipped a five dollar bill in the hand of an inspector, and they went through like a knife.

Question. Who was that inspector?

Answer. I do not know. I should know him if I should see him.

Question. Who was this man?

Answer. He was an outside buyer.

Question. Can you recall his name now?

Answer. I do not think I can give his name. I have told the circumstances.

Question. What do you know about this Jim Neil, after receiving and branding horses as cavalry horses, subsequently branding them as artillery horses?

Answer. The first information I had of anything of the kind was in reference to five horses which I put in. There was one horse which I would not let go unless he was received and branded as an artillery horse. There was another horse which should have been branded as an artillery horse, and I insisted upon its being done, but Neil would not do it; so I let him go in. Afterwards a man came to me and said, "Neil branded that other horse of yours twice." I went up there to see about it. I found this man Ganshorn there, and he told me that three of his horses had been branded in the same way.

Question. Do you know that Neil not only acted as inspector, but branded horses after his own inspection?

Answer. He acted as inspector, but I did not see him brand any horses himself. I saw him order them branded; and he acknowledged, in this way, that he branded horses twice. When Ganshorn, three of whose horses had been branded twice, after having been inspected and received as cavalry horses, insisted upon Neil's giving him \$660 instead of \$600, Neil asked him, "Did you see me brand those horses twice while I was examining them?" Ganshorn said, "I did not, but you branded them afterwards." "That is not the question," said Neil; "Did you see me brand them?" Ganshorn

said he did not. Then, said Neil, "What I choose to do after that is none of your business." I afterwards understood that there were some thirty or forty horses branded the second time in the same way.

Question. What is the name of the party who told you that he had slipped five dollars into the hands of an inspector for the purpose of having his horses passed?

Answer. John S. Harvey.

Question. Was there any such thing known among horse-dealers as a second-class inspection?

Answer. It was so understood among them. For first-class horses they paid us from \$95 to \$105, and for second class from \$80 to \$85, and in one instance I recollect \$90.

Question. Did the inspectors themselves seem to understand the distinction between first and second-class inspection?

Answer. I do not know. Parties who came to me and bargained for horses said a second-class inspection was going on at such a place, and that if I had any horses which had been rejected I had better send them up. I did so, and the horses passed.

Question. Was there a settled price paid by the government for second-class horses?

Answer. I do not know. It was frequently suggested to my mind what the government could want of second-class horses.

Question. The difference between first and second-class inspection, then, was not merely the difference between cavalry horses and artillery horses?

Answer. No, sir; it had reference to first-class and second-class cavalry horses.

Question. So that horses which had been rejected at a first-class inspection were presented afterwards at a second-class inspection?

Answer. Yes, sir.

Question. And they were put in to the government at the same price, were they not?

Answer. I do not know. I understood that the government paid \$100 for them.

Question. At what time did you deliver some of those second-class horses?

Answer. I think it was during the month of September J. C. Kelley bought some of those second-class horses and inspected them, or had them inspected. I remember that it would be currently reported around the stable that at a certain time there would be a second-class inspection, and men who did not want to wait for a first-class inspection would put in their animals at a second-class inspection.

Question. Did you ever hear an inspector mention such a thing?

Answer. No, sir. I have only heard it mentioned by parties buying horses.

Question. Who have you heard mention it?

Answer. Parties who bought horses of us. J. C. Kelley was one. He has bought horses, I think, as low as eighty, eighty-five, and ninety dollars. I know of another man who bought nine horses at eighty and eighty-five dollars.

Question. What is his name?

Answer. I do not remember. I understood he was a contractor.

St. Louis, *October 26, 1861.*

ALEXANDER PETERSON, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am in the leather business and saddlery hardware.

Question. State to the committee whether, during the last three or four months, you have had any contract with the government for furnishing any supplies to the quartermaster's department here.

Answer. I have been furnishing horses to the government, but that is all I have had to do with furnishing supplies to the government.

Question. How many horses have you furnished to the government?

Answer. Under General McKinstry's administration of the quartermaster's office I furnished one hundred and fifty-one horses, I believe. Since Major Allen has been here I have furnished between two and three hundred.

Question. Had you a contract with the government to furnish horses?

Answer. I had no contract with McKinstry. Colonel Blair gave me a letter to McKinstry in reference to giving me a contract. General McKinstry put me off day by day, but at last he told me I might buy some horses and he would take them when they were brought in. He gave me two inspections, and no more, though I had more horses on hand. On McKinstry's assurance that he would take my horses, I sent two men into the country to purchase them, but when they came in I could not get an inspection for their stock. I frequently asked McKinstry for inspectors, but I got only two inspections. When Major Allen took charge of the quartermaster's department, Colonel Blair gave me another letter to him, and he appointed an inspector to inspect the remainder of my horses. This was an entirely outside business for me to get into.

Question. At what price did McKinstry agree to take the horses which you should furnish?

Answer. He did not agree to pay any specified sum, but I put in all the horses, cavalry and artillery, at the one uniform price of \$119 a head.

Question. And that price was paid for the horses put in under both inspections?

Answer. Yes, sir; I told Major Allen that that was the price McKinstry had put upon the horses, and that I could not expect to get more from him.

Question. How many horses were inspected upon the first inspection?

Answer. As near as I can recollect, there were ninety-nine; and on the second inspection there were fifty-two.

Question. Did you find any difficulty in getting an inspection of the horses?

Answer. Yes, sir; great difficulty.

Question. What time elapsed between the time when you notified him that you were ready for inspection and the first inspection?

Answer. I cannot tell ; it was a number of days.

Question. Was the same person appointed to make both inspections ?

Answer. Yes, sir.

Question. Who was he ?

Answer. Luke Dubois.

Question. Were you alone interested in the purchase of those horses, or were you connected with other parties who had an interest in them ?

Answer. I was connected with another gentleman. He was to furnish the money if I would get the contract.

Question. Who was this man with whom you were interested ?

Answer. George H. Rea.

Question. Had he furnished horses to the government previous to that time, either alone or with other parties ?

Answer. No, sir.

Question. And you had furnished none previously ?

Answer. None.

Question. What was the cause of the difficulty which you found in getting an inspection of your horses ?

Answer. I do not know. When Major Allen came here he took the remainder of my horses immediately, and wanted me to enter into a contract to furnish others.

Question. McKinstry simply authorized you to purchase those horses, agreeing to inspect them and take them off your hands ?

Answer. Yes, sir.

Question. Was there any agreement at the time as to the price to be paid ?

Answer. None at all.

Question. What was the average cost of those horses to you ?

Answer. That I can hardly tell.

Question. Between what figures would the cost range ?

Answer. I should think the average cost was less than \$100 each.

Question. State the lowest price you have paid for any horses you furnished to the government ?

Answer. We bought our horses in Indiana, mostly at Indianapolis. We brought them here, and had to pay the expense of transportation.

Question. State the lowest price, and the highest price, you paid for any horses in the whole lot.

Answer. We paid eighty and ninety dollars for horses in Indianapolis. Then we had the feeding of them and freight upon them here to pay in addition.

Question. What was the lowest and what the highest prices you paid for horses bought at other points ?

Answer. We bought no horses except at Indianapolis.

Question. Do you remember of having bought any horses at a lower figure than \$90 ?

Answer. I think from eighty-five to ninety dollars. That was the lowest sum for which we could get horses.

Question. Were they all horses, or were some mares ?

Answer. They were all horses. The inspector said they were the best horses they had received.

Question. Did Mr. Dubois inspect the horses?

Answer. He inspected the horses furnished under McKinstry's administration, but Saxton and McDaniels inspected the horses I furnished to Major Allen.

Question. Where does Dubois reside?

Answer. I do not know.

Question. Had either one of those three inspectors any interest in the gross or net profits on the purchase of any of those horses?

Answer. No, sir.

Question. State whether you found it necessary, or convenient, or desirable, to facilitate the inspection of any of those horses by interesting any one of those inspectors?

Answer. No, sir; not to the amount of one cent.

Question. Did you make any presents to either of them?

Answer. No, sir.

Question. Either before or after the inspection was made?

Answer. No, sir. That was the reason, I suppose, why I had so much trouble in getting an inspection.

Question. To accomplish an inspection did you yourself, or anybody else to your knowledge, help the inspection along in that way?

Answer. No, sir.

Question. Did anybody suggest to you that that was the way to succeed?

Answer. Yes, sir.

Question. Did that suggestion come from Rea?

Answer. No, sir.

Question. Did you ever hear him refer to that subject?

Answer. No, sir. The suggestion was not to give money to an inspector, but to somebody else.

Question. To whom did you think it was to be given?

Answer. I did not know.

Question. Did you use any money, or anything else whatever, to induce an inspection of your horses?

Answer. No, sir.

Question. Did any person for you or for your partner?

Answer. No, sir, not to my knowledge.

Question. Have you any information, in any shape, manner, or form, that any means, other than persuasion, were used to induce the appointment of an inspector, or to induce an inspector to act?

Answer. No, sir.

Question. Have you said to any one that you were compelled to make use of means, either directly or indirectly, to induce an inspection of your horses?

Answer. No, sir. I will tell you what I suppose these questions spring from. I saw Mayor Taylor this morning, and he told me he had been before the committee. He said he represented to the committee that I had said that I could not get an inspection unless I paid for it. I had a conversation with Mr. Taylor as I was walking up the street with him a few weeks ago, but he misunderstood what I said. I told him that McKinstry was giving other parties an inspec-

tion, while he would not give me one. I told him that I had used no money to get an inspection.

Question. Did you say that other parties had used such means?

Answer. I do not know whether I did or not. The conversation was a merely casual one. He asked me how I was getting along with my contract, and I told him I could not get an inspection while other parties could.

Question. Do you know yourself, or from information, what means were used by them to get their inspections?

Answer. I do not. It was with me merely a matter of inference from seeing what was going on.

Question. Have you been told by any person that the appointment of inspectors, or the action of inspectors, had been, in any shape, manner, or form, controlled in this city, by the parties furnishing horses, giving money, or anything else, as an inducement?

Answer. I had not been told that, but, as a matter of course, being around the quartermaster's department a good deal, I could not help drawing my inferences of what was going on. I do not know anybody who has used money in that way.

Question. From what circumstances have you inferred that such things have been done?

Answer. Only from the fact that certain parties around the quartermaster's department got an inspection when other parties could not get it.

Question. Who were those parties?

Answer. Ellard, Selover, and other parties got inspections when nobody else could get them. I drew my conclusions.

Question. You know the fact that they did get inspections?

Answer. Of course; but whether they paid for them or not I do not know.

Question. Do you know of any presents being made to any person or persons by individuals who have had contracts with, or who have purchased and sold horses to the government?

Answer. I do not, except from hearsay.

Question. You say that the average cost of the horses you furnished to the government could not have been over \$100 each?

Answer. Yes, sir.

Question. Do you mean at the time you turned them in to the government?

Answer. Yes, sir.

Question. That is, that the original cost of the horses and the cost of transportation and feeding them would bring their cost up to \$100?

Answer. Yes, sir.

Question. In purchasing you made no distinction between cavalry and artillery horses?

Answer. No, sir. But, of course, if we got an artillery horse he afforded us a better profit than a cavalry horse would.

Question. Did McKinstry, or the inspector, inquire of you what those horses cost you, delivered in this city?

Answer. No, sir.

Question. Do you know how it was that the government price of horses was fixed at first at \$119?

Answer. No, sir. In the early part of the season the government advertised that they would give from \$119 to \$125 for horses, and I suppose the price became fixed from that.

Question. In connexion with contracts made with the government by contractors in this city, what, if anything, have you heard said about presents of any character being made to persons connected with the government by persons having contracts with the government?

Answer. I have heard it said that the contractors had made presents both to Mrs. Frémont and to Mrs. McKinstry, and to General McKinstry.

Question. Was the fact of such presentations being made by the contractors notorious in this city at the time they were said to have occurred?

Answer. I suppose I may say it was.

Question. Had you at that time a contract with the government?

Answer. I had not. In fact, I want it understood that I had no contract at all. General McKinstry merely told me he would take my horses if I would bring them in.

Question. How early in the season did you get this letter from Blair to McKinstry?

Answer. It was early in September, to the best of my recollection. Subsequently I got another from Blair to Major Allen.

Question. At the time you furnished those horses did General McKinstry, or any person in his employment, inquire what the horses had cost you, or did you inform him or any person in his department what the horses had cost you?

Answer. He did not inquire, and I did not tell any one.

Question. Did all the horses you purchased pass inspection?

Answer. No, sir; I have ten or fifteen of them on hand now.

Question. Has any other party than Rea, either directly or indirectly, any interest in the profits growing out of that transaction?

Answer. None, except my firm. We have half the profits and Rea has the other half.

Question. What other supplies have you furnished to the government?

Answer. None directly, save a few little things for the arsenal.

Question. What articles have you furnished to the government indirectly?

Answer. We have furnished to Child, Pratt & Fox some two or three hundred sets of saddlers' tools—that is, the house of Peters, Hawthorn & Co., of which I am a member, has done so.

Question. About what time?

Answer. We have furnished them along, at different times.

Question. Have you furnished any other articles besides those you have mentioned?

Answer. Yes, sir.

Question. What.

Answer. We have furnished blacksmiths' aprons, harness leather,

and bridle leather. The saddlers' tools embrace a great many different articles.

Question. To what extent have you furnished these various articles?

Answer. I cannot say, because they come in and buy every day, and have done so for two or three months past.

Question. To what amount, in dollars and cents?

Answer. I cannot tell.

Question. You say they have been furnished almost daily. Through what length of time?

Answer. I should think for 60 or 70 days.

Question. In what business are Child, Pratt & Fox engaged?

Answer. In the hardware business.

Question. How do you know that those articles were furnished through them to the government?

Answer. Only by inference; they said the government wanted so many tools, and they wanted us to put them up.

Question. At what price per set did you furnish the saddlers' tools?

Answer. I cannot tell; they were entire sets, if we had the goods on hand. I have the account on the book, and can give it to the committee.

Question. In the neighborhood of what amount?

Answer. I cannot tell, because I did not attend to that part of the business; my brother attends to that branch.

Question. Were those tools delivered by you directly to Child, Pratt & Fox, or to persons acting on behalf of the government?

Answer. Directly to them, and by them they were charged to the government, I suppose.

Question. At what price were they charged to the government?

Answer. I do not know.

Question. Do you know what kind of contract they had with the government for supplying those articles?

Answer. I do not.

Question. Was any application ever made to you, or to any person connected with your business in this city, to furnish that kind of supplies?

Answer. Never.

Question. Was any advertisement for proposals ever published?

Answer. I cannot say.

Question. If it had been, would you not have seen it?

Answer. I might and I might not; none was published, to my knowledge.

Question. Were the articles you furnished that firm such articles as they dealt in?

Answer. I think not.

St. LOUIS, *October 24, 1861.*

JESSE ARNOT, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I keep a livery stable.

Question. Have you had any contract with the government for furnishing horses?

Answer. I have not.

Question. Have you been acting in concert with parties who have had such contracts?

Answer. No, sir, not directly; I went with some other parties a couple of trips into Illinois, and bought some horses, which we brought here.

Question. And they were sold to the government?

Answer. I did not sell them.

Question. With what parties were you co-operating?

Answer. O'Blannis and Gould went with me, and we bought horses together.

Question. How many.

Answer. On the first trip I believe we bought 49, and on the last trip 70.

Question. Prior to purchasing those horses, had you any agreement with the quartermaster here, or with any other person, by which the government was to receive them?

Answer. I had not. O'Blannis had some arrangement with Ellard, I think; at least, Ellard wanted what horses we could buy of a certain description.

Question. Then they really were purchased for him.

Answer. No, sir; I could not say that. He told O'Blannis that he would take all the horses he would buy of a certain description.

Question. At what price?

Answer. The light horses at \$105 a head, and the heavy ones at \$120.

Question. Was anything said as to the average size of the horses?

Answer. The small horses were to be not less than 15 hands high, and the large horses not less than 16 hands.

Question. The former were for cavalry and the latter for artillery purposes.

Answer. Yes, sir.

Question. What did you understand from him as to the nature of his contract with the government?

Answer. Nothing.

Question. Were those horses to stand inspection before he was to receive them?

Answer. Yes, sir, and he was to allow us so much for those that would pass inspection; those that did not pass inspection were left upon our hands.

Question. Did you have any difficulty in getting them inspected?

Answer. No, sir; a few of them were thrown out, and we disposed of them privately.

Question. They did not go into the government service?

Answer. No, sir.

Question. Neither through your hands or anybody's else?

Answer. No, sir.

Question. Who inspected those two lots of horses?

Answer. I was not at the inspection of either lot; but I know that Gordon Abrams inspected the first lot, and it is my impression that the last lot was inspected by some other person. The arrangement in relation to the horses was made between O'Blannis and Ellard, and after it was made O'Blannis proposed that I should go in and help them.

Question. Were you present at the inspection of either lot of horses?

Answer. I was not.

Question. Had you any connexion with Peterson in the purchase of horses?

Answer. No, sir.

Question. State whether any other persons than the three you have mentioned had any interest, directly or indirectly, in the profits of this sale to Ellard.

Answer. I do not know that they had.

Question. Have you been informed that they had?

Answer. I do not know that I have.

Question. Do you know, or have you understood from anybody, that to procure the inspection of horses means were resorted to other than merely making application for that purpose?

Answer. I do not know of any, and I have not heard of any. I have heard a great many men who had horses complain that they could not get an inspector, and all that kind of thing.

Question. Have you yourself paid, or have you heard that either one of your partners, either directly or indirectly, has paid, any sum of money, or made any present, or gave anything whatever, to procure the inspection of horses?

Answer. No, sir; my own business is such that I seldom leave my store. I have been at no inspection, though I was out there when they were buying horses at the commencement of these difficulties. When Captain Totten was first organizing his company I was out there, and I sold him some horses; with that exception, I have not been there. I know Abrams and some of the other inspectors when I see them; but that is all the acquaintance I have with them.

Question. You say you do not know that any such influences have been made use of to induce an inspection.

Answer. I do not.

Question. Was any deduction made from the gross proceeds of those horses for sums which had been expended in bringing about an inspection?

Answer. Not a cent; the amount was paid over to us by Ellard in Missouri money.

Question. Were horses inspected at your stables more or less?

Answer. There never has been any inspection at my stables.

Question. Do you know of any horses rejected by one inspector being afterwards received by another inspector, or by any other person, for the government?

Answer. I have heard, in conversation, that horses which were rejected one day would be received a day or two after.

Question. Do you yourself know of any such transaction?

Answer. No, sir.

Question. Did any such transaction occur in connexion with horses belonging to yourself, or to your customers, or to persons dealing with you?

Answer. None that I know of. The horses which we had rejected—two of the first lot, and two or three of the last lot—I put to work in the stable—that is, that portion of them which belonged to me. I believe the others were sold privately to other parties.

Question. Have you had any other horse transactions, directly or indirectly, with the government?

Answer. I sold a few horses and mules which belonged to customers of ours, but I sold them to men who were engaged in the business.

Question. But you did not sell them to the government?

Answer. No, sir.

Question. Did you sell them subject to inspection?

Answer. No, sir.

Question. Do you know of any means other than the ordinary application for an inspector being made use of in any horse transactions, either before or after inspection, to induce an inspection?

Answer. No, sir.

Question. Do you know of any persons, who were themselves engaged in the inspection of horses for the government, turning in horses to the government, either directly or indirectly?

Answer. I cannot say that I do. I know very little about these matters. I have not been at all engaged in them.

Question. You then know of no horse transactions in connexion with the government, or in connexion with any persons selling horses to the government, or in connexion with the purchase, sale, or inspection of horses, but what is fair and honest?

Answer. Nothing whatever.

Question. Do you know, from the representations of persons who would have an opportunity to know, of any transactions which might not be regarded as fair and honest?

Answer. I have heard of persons talking about this, that, and the other thing that they have done.

Question. What have you heard said by persons who themselves have turned in horses to the government as to the means by which they obtained an inspection of their horses?

Answer. I have never heard anything about any means being used. I have heard men gas and talk about the manner in which people managed to get their horses passed.

Question. What have you heard said upon that subject?

Answer. I have heard them talk about how persons rode their horses, or how they got in a blind horse. But all these things were said by outsiders, and in a joking way; they themselves not knowing anything about the facts.

Question. What means were said to have been resorted to for the purpose of getting in blind and lame horses?

Answer. Well, I have heard them tell how others fixed up their

horses ; how they rode them, and all that. But those were all outsiders, who were not at all connected with the business.

Question. What did you hear these outside parties say as to the means which were resorted to to get inspectors to pass horses?

Answer. I have never heard of their making any charges against any inspectors. While their remarks did not impeach the integrity of the inspectors, they would seem to indicate that the inspectors were deceived.

Question. Have you never heard the integrity of any inspector called in question?

Answer. Never.

Question. What, in this market, has been the average value of such horses as have been bought by the government for cavalry purposes?

Answer. I hardly know.

Question. Do you think they would average over \$90 each?

Answer. It would be hardly fair for me to pass my judgment upon them, for I have seen but very few of them. I do not keep a sale stable. My stable is full of my own stock, and of my boarding stock, so that I have seen very little of outside stock.

ST. LOUIS, *October 24, 1861.*

JAMES RICHARDSON, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am in the wholesale drug business.

Question. Have you furnished any drugs to the government?

Answer. We have within the last thirty days.

Question. State to the committee whether you had any contract with the government for furnishing supplies prior to the appointment of Major Allen as quartermaster at this post.

Answer. We had a contract with the government some time ago, but that was not under Major McKinstry.

Question. State what you know about the manner in which drugs have been supplied to the government in this department during the time that Major McKinstry was quartermaster here.

Answer. I have seen advertisements for small lots of drugs. We have sold McKinstry no drugs, with the exception, perhaps, of a few little articles last spring.

Question. Did McKinstry refuse to buy of you?

Answer. Yes, sir.

Question. Why?

Answer. I do not know ; but I may say that before he came here I had been suing the government for drugs which I furnished for the Utah expedition. When McKinstry came here I applied to him to furnish drugs, but I could get no orders. I saw an advertisement for furnishing a small amount of drugs; I sent up a proposal to furnish them

at less than they cost, but I did not get the contract. Two months ago, perhaps, I called upon McKinstry and told him I would like to do something for the government. He replied that he was a military man; that our house was marked, and that they would not buy anything of us. "Good day, Mr. Richardson," he said, and bowed me out. That is the last business we have had to do with him.

Question. Do you know anything of the manner in which drugs have been purchased here for the army since this rebellion, and through what agency?

Answer. We have been entirely outside since this rebellion commenced, and I cannot tell you how they have been purchased, until within the last month or so.

Question. Are you acquainted with any of the contracts made in this city with the government during the time that Major McKinstry was quartermaster?

Answer. I am not.

Question. If there have been any frauds in the furnishing of drugs, or other supplies, it is without your knowledge?

Answer. Entirely so.

Question. Have you any reliable information of frauds of which the government has been the victim?

Answer. I have heard a great deal said by our reliable men here, but all I know is mere hearsay.

ST. LOUIS, *October 24, 1861.*

PASCAL P. CHILD, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. Are you a member of the firm of Child, Pratt & Fox, of this city?

Answer. No, sir; I am a clerk in that house.

(Bills rendered by the house of Child, Pratt & Fox to the quartermaster's department were here handed to the witness.)

Question. Look over these bills and see if they are copies of bills of articles sold by the house of Child, Pratt & Fox to the government of the United States.

Answer. They are. I see no articles in them but what we have furnished to the government.

Question. State what price you charged the government for hatchets and handles?

Answer. Nine dollars per dozen.

Question. State what those articles cost the firm of Child, Pratt & Fox?

Answer. Seven dollars to seven dollars and fifty cents per dozen.

Question. What price did you charge the government for spades?

Answer. Twelve dollars a dozen.

Question. What did they cost your firm?

Answer. Ten dollars a dozen.

Question. What did you charge the government for axes and handles?

Answer. Eighteen dollars per dozen.

Question. What did they cost your firm?

Answer. Fifteen dollars per dozen.

Question. What did you charge the government for shovels?

Answer. From \$10 80 to \$12 per dozen.

Question. What did they cost your firm?

Answer. Nine dollars and fifty cents per dozen.

Question. What did you charge the government for pick-axes and handles?

Answer. Eighteen dollars a dozen.

Question. What did they cost your firm?

Answer. Fifteen dollars a dozen.

Question. What did you charge the government for mess pans?

Answer. Thirty-five cents each, or \$4 20 per dozen.

Question. What did they cost your firm?

Answer. Two dollars and forty cents per dozen.

Question. What did you charge the government for camp kettles?

Answer. Sixty-five cents each.

Question. What did they cost your firm?

Answer. Forty-five cents each. They cost \$5 40 per dozen, and we sold them to the government for \$7 80 per dozen.

Question. Have all the camp kettles for which you charged the government 65 cents cost your firm 45 cents?

Answer. Yes, sir; that is the regular price.

Question. What did your firm charge the government for knives and forks?

Answer. One dollar a set.

Question. What did they cost your firm?

Answer. Eighty, eighty-five, and eighty-seven and a half cents a set.

Question. What did you charge the government for coffee mills?

Answer. Twelve dollars a dozen.

Question. What did they cost your firm?

Answer. Nine dollars and fifty cents a dozen.

Question. What did you charge the government for anvils?

Answer. Twelve and a half cents per pound.

Question. What did they cost your firm?

Answer. Eleven cents per pound.

Question. What did you charge the government for vices?

Answer. Twelve and a half cents per pound.

Question. What did they cost your firm?

Answer. Eleven cents per pound.

Question. What did you charge the government for picket pins?

Answer. 75 cents each.

Question. What did they cost your firm?

Answer. 45 cents apiece. After furnishing some to the government at that price we got a reduction of ten cents on the manufacturers' prices, and then we charged the government only 65 cents.

Question. About what profit is that?

Answer. It is a good profit, I have no doubt.

Question. Could you not have procured those pins at even a less price than 35 cents?

Answer. We could not at the time those were furnished.

Question. What did you charge the government for saddlers' tools?

Answer. \$30 a set.

Question. What did they cost your firm?

Answer. \$25 a set.

Question. What did you charge the government for halter chains?

Answer. \$4 80 a dozen.

Question. What did they cost your firm?

Answer. \$3 50 a dozen.

Question. I now desire to know if the cost of the articles I have enumerated, and the prices you have charged the government for the same, indicates a fair average of the profits charged by the firm of Child, Pratt & Fox to the government on all articles coming under those heads?

Answer. Yes, sir; so far as I know.

ST. LOUIS, *October 24, 1861.*

JAMES P. COGHLAN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis?

Question. What is your business?

Answer. I am bookkeeper.

Question. For whom?

Answer. For the firm of Child, Pratt & Fox, of this city.

(A voucher rendered by the firm of Child, Pratt & Fox to the quartermaster's department was here submitted to the witness.)

Question. Do you recognize that as a bill furnished by Child, Pratt & Fox to the government of the United States?

Answer. Yes, sir; it is a copy of a voucher which they hold.

Question. Upon that voucher there is a charge for 4,779 knapsacks and straps furnished by your firm to the government at \$3 25. What did those articles cost the firm of Child, Pratt & Fox?

Answer. They cost in St. Louis \$2 70, \$2 88, and \$3 15.

Question. How is it that they cost different prices?

Answer. They were bought of different parties.

Question. How many knapsacks and straps have been furnished to the government by the firm of Child, Pratt & Fox?

Answer. I suppose somewhere about 17,000.

Question. Of whom were those goods purchased?

Answer. Of four different parties in New York—Petty & Morrison, John Black, F. Stevens, and W. F. Shattuck—and some in St. Louis.

Question. Of whom did you buy any of them in St. Louis?

Answer. Of Sterling, Stansbury & Co.

Question. What were those bought in St. Louis purchased for?

Answer. For \$3.

Question. What did those which were purchased of Petty & Morrison cost?

Answer. I cannot say.

Question. About how many were purchased at \$2 70?

Answer. Perhaps about 10,000.

Question. About how many were purchased at \$2 88?

Answer. Well, I will say about 6,000.

Question. And the remainder at \$3 and \$3 15?

Answer. Yes, sir. The great bulk were bought for \$2 70.

Question. I see upon this voucher 2,300 pairs of shoes charged at \$1 75 a pair. What did they cost your firm?

Answer. We bought shoes and paid from \$1 25 to \$1 75 a pair.

Question. Do you know what the shoes, which were charged to the government at \$1 75 a pair, cost the firm of Child, Pratt & Fox?

Answer. I should say they cost on an average \$1 50 a pair.

Question. Of whom were they purchased?

Answer. Of three parties in St. Louis.

Question. What are their names?

Answer. Comstock & Co., Green & Brother, and Manny, Drake & Co.

Question. Have you referred to the bill of Comstock & Co., and found any shoes charged to the firm of Child, Pratt & Fox at \$1 50 per pair.

Answer. Yes, sir.

Question. How many?

Answer. We bought fifty pairs at \$1 50, but I do not know of whom. We paid for shoes from \$1 25 to \$1 75.

Question. What did you pay for those shoes which you put in to the government for \$1 75?

Answer. I should say \$1 40 and \$1 50, and perhaps \$1 75.

Question. Where did you purchase any shoes at \$1 75?

Answer. I cannot find where we purchased any at that price.

Question. What price was paid for the large bulk of the shoes which you charged the government \$1 75 for?

Answer. \$1 37½.

Question. How many?

Answer. I cannot say. The shoes which were put in at \$1 50 cost \$1 12½ and \$1 25. The main bulk of them cost \$1 12½.

Question. About what per cent. profit was charged by your firm upon all the shoes sold by your house to the government?

Answer. About 25 per cent.

Question. About how many shoes were sold to the government by your house?

Answer. About 38,000 pairs of shoes, and about 4,000 pairs of boots.

Question. Upon this voucher I see a number of blankets charged at \$3 each. What was the price paid by Child, Pratt & Fox for those blankets.

Answer. The blankets cost us in St. Louis from \$2 to \$2 25, \$2 40 and \$2 70 each.

Question. What portion of the blankets purchased by your house and furnished to the government cost \$2 each?

Answer. A very small portion.

Question. What portion of them cost \$2 25 each?

Answer. I cannot say. The great bulk of the blankets we sold the government cost from \$2 40 to \$2 70 each.

Question. What portion cost \$2 40 each?

Answer. A very large portion cost from \$2 40 to \$2 70 each.

Question. You say about two-thirds cost \$2 25?

Answer. Yes, sir. And nearly all the balance cost from \$2 40 to \$2 70 each.

Question. Why is it that although those goods cost different prices, they are all sold to the government at the same price?

Answer. I cannot say.

Question. How many blankets have been furnished by your house to the government?

Answer. 46,000 blankets, of which 2,500 were saddle blankets.

Question. Of whom were the greater portion of those 46,000 blankets purchased?

Answer. The greater portion of them were purchased in New York and Boston. In New York, of Turnbull, Slade & Co., and Parker, Wilder & Co.; and in Boston, of Stone, Bowman & Bliss. A portion was bought in St. Louis, of Field, Brother & Co., and Crow, McCreary & Co.

Question. Upon what terms were they purchased?

Answer. For cash.

Question. Your figures of the cost in St. Louis include all the expenses of getting them here into your store?

Answer. Yes, sir.

Question. About what per cent. profits were charged upon those blankets, excluding the saddle blankets?

Answer. About 25 per cent.

Question. I see charged upon this bill 2,395 flannel shirts, at \$1 50 each. What did they cost your firm?

Answer. They cost from \$13 50 to \$16 50 a dozen.

Question. What portion of them cost \$13 50 a dozen?

Answer. A very small portion; I should say not more than one-fourth.

Question. What was the net price?

Answer. It may be \$15.

Question. What portion of them cost \$15 a dozen?

Answer. Perhaps a little over a half, and the remainder cost \$16 50.

Question. I see upon this bill 3,098 pairs of drawers charged to the government at 60 cents each. What did they cost the firm of Child, Pratt & Fox?

Answer. They cost 50 cents a pair.

Question. About how many of them were there in all?

Answer. About 46,000 pairs.

Question. At what rate of profit was that?

Answer. About 20 per cent.

Question. I see that canteens, corks, and straps are charged to the government at 60 cents. What did they cost Child, Pratt & Fox?

Answer. From 42 to 50 cents.

Question. What portion of them cost 42 cents?

Answer. A very small portion—not more than 1,000. The remainder cost 50 cents.

Question. How many did you furnish in all?

Answer. 26,500.

Question. Of whom were they purchased?

Answer. They were purchased of two different parties in New York.

Question. What are their names?

Answer. Tiffany & Co. and George Robbins & Co.

Question. I see that felt hats were charged to the government at \$1 15. What did they cost your house?

Answer. Those hats cost us \$1 12 on an average, and we put them in at \$1 15.

Question. Of whom were they purchased?

Answer. Some were purchased east, and some here.

Question. Of whom?

Answer. Of Whittimore & Co., of St. Louis, and Snyder & Co., of Philadelphia.

Question. Pants and jackets are charged to the government at \$10 50. What did they cost your firm?

Answer. They cost from \$8 40 to \$9—infantry suits.

Question. How many infantry suits were sold by your firm to the government?

Answer. I should say about 2,500.

Question. What portion of them cost \$8 40?

Answer. I should say about two-thirds, and the remainder about \$9.

Question. About what per cent. profit is that?

Answer. I should say about 26 per cent.

Question. There are charged in this bill 696 overcoats, at \$10 50 each. What did they cost your firm?

Answer. I should say \$8 75, \$9 30, \$9 75, and \$10. The greater portion of them cost \$9 30.

Question. What portion of them cost \$8 75?

Answer. I cannot say.

Question. Will the profits upon these goods be about the same as upon the others you have named?

Answer. I should think not as much. I should say about 15 per cent.

Question. What did the socks cost which you put in at \$3 96 per dozen?

Answer. We sold the government 10,860 pairs at 28 cents, which cost 25 cents; and we sold 34,000 pairs at 33 cents, which cost 30 cents.

Question. I see upon another voucher 5,000 yards of blue satinet at one dollar a yard. What did Child, Pratt & Fox pay for that article?

Answer. It cost 87 cents a yard.

Question. Do you know how many yards were furnished?

Answer. About 53,000.

Question. What per cent. profit is that?

Answer. About 28 per cent.

Question. I see charged here 14,000 yards of flannel at 35 cents; what did it cost?

Answer. The greater portion of it cost $31\frac{1}{2}$ cents.

Question. What did that flannel cost which you charged the government $37\frac{1}{2}$ cents for?

Answer. It cost 34 cents.

Question. I see 500 pairs of pants charged at \$3 50; what did they cost?

Answer. \$3 25 a pair.

Question. What kind of pants were those?

Answer. Blue kersey pants.

Question. I see 450 pairs of boots charged at \$4 50; what did they cost?

Answer. I cannot say.

Question. How many pairs of boots of every kind did you furnish the government?

Answer. About 4,000 pairs, at prices ranging from \$3 to \$4 75.

Question. About what per cent. profit did you make?

Answer. I should say about 20 per cent.

Question. Here are 1,000 hats charged at \$2 75; what did they cost?

Answer. \$2 70.

Question. In your bill of September 5, 1861, cavalry equipments were charged at \$40 a set; what did they cost your house?

Answer. They cost us \$37 50.

Question. Portable forges and blacksmith's tools are put in to the government at \$140 60; what did they cost Child, Pratt & Fox?

Answer. \$122 87.

Question. Portable forges and shoeing tools complete are charged at \$150 60; what did they cost you?

Answer. \$129 37.

Question. There are 802 pairs of pants charged at \$3 75; what did they cost?

Answer. \$3.

Question. Do you know the amount of goods sold by the firm of Child, Pratt & Fox to the government since the breaking out of the war?

Answer. Since the 1st day of February up to about the 20th of the present month, about \$825,000.

St. Louis, October 25, 1861.

NATHANIEL H. CLARK, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am engaged in the gentlemen's furnishing business.

Question. Have you had any contracts with the government for furnishing goods.

Answer. No, sir.

Question. Do you know of any parties who have had the furnishing of anything to the government in your line?

Answer. No one that is furnishing anything by contract.

Question. Do you know of any one furnishing anything in your line upon orders?

Answer. Yes, sir; clothing for the army.

Question. Who, and what articles have they furnished?

Answer. Child, Pratt & Fox have furnished a large quantity of materials, which were worked up by me as employé of the government under the quartermaster; they were in want of some person to get up supplies for the army, and I was temporarily employed as superintendent of the manufactory.

Question. Then you manufactured for the government?

Answer. Yes, sir; I superintended the manufactory for the government.

Question. Under a contract?

Answer. No, sir; and without any stipulation as to price.

Question. How much did you make?

Answer. I did not make anything, but the quartermaster allowed me five dollars a day at the conclusion of my services.

Question. Did you pay the hands?

Answer. No, sir; the quartermaster paid them. I disbursed no moneys myself.

Question. Did you employ the hands?

Answer. Yes, sir, principally, but I sent them to him for payment.

Question. What were the kinds of clothing you manufactured in that way?

Answer. Jackets, pantaloons, flannel shirts, haversacks, and feed boxes for horses.

Question. How long were you so engaged?

Answer. About seven weeks—from the 14th of August to the 28th of September.

Question. What was the cost to the government of manufacturing shirts, jackets, &c.?

Answer. I never made any calculation. The incidental expenses of manufacturing were so various that it would require considerable calculation to arrive at the actual cost; but undoubtedly the cost was quite as much as it would have been in any other way, and perhaps more. I never made any calculation of the exact cost of manufacturing shirts, for instance, but I always thought, from a rough estimate, that it cost considerable more than it would to make them by contract.

Question. How much more?

Answer. I should suppose twenty-five per cent.

Question. Then what was the object of having the work done in that way instead of having it done by contract, whereby fifty per cent. would have been saved to the government?

Answer. The emergency of the case, I suppose.

Question. Could you not have done all this work by contract?

Answer. Yes, sir.

Question. Could you not have obtained the bonds as well for yourself as for the government?

Answer. Yes, sir.

Question. Could you have taken this contract, and been remunerated, at twenty-five per cent. less than it cost the government?

Answer. I certainly could.

Question. What do you suppose was the amount of the cost of making the clothing under your superintendence?

Answer. I suppose from twenty-five to thirty thousand dollars.

Question. You think that under special contract you could have done the work at twenty-five per cent. less?

Answer. I am sure I could.

Question. And have made a good profit at that?

Answer. I think so.

Question. What was the character of the articles furnished by Child, Pratt & Fox which you manufactured?

Answer. For the purpose for which it was designed it was very inferior material.

Question. Do you know the cost to the government of any of the materials which you manufactured, and which were furnished by Child, Pratt & Fox?

Answer. I did know the cost of most of it.

Question. Give us some instances of the cost.

Answer. The most important article furnished by them was blue satinet at a dollar a yard.

Question. What could you have furnished that article for from the eastern market?

Answer. I have never dealt in cloths of that kind, but from all the information I could get similar goods were sold for seventy-five and eighty cents per yard. I was told that the goods had advanced very much.

Question. Then you considered it an inferior article for the purpose for which it was designed, and it was put in to the government at a dollar a yard?

Answer. It was hardly suitable at all, and yet to some extent I was connected with procuring it. The satinet was furnished by Child, Pratt & Fox under these circumstances: We were entirely out of material for manufacturing pantaloons, and the market here was bare. Some of the regiments here were almost entirely destitute of clothing. In fact, I believe Stevens's regiment, stationed at Rolla at the time Lyon was defeated at Springfield, disobeyed orders to go forward to Springfield and re-enforce Lyon in consequence of not having a sufficient supply of clothing. The colonel represented his troops as being ragged; and then for the first time I had instructions from the officer who employed me to superintend this business of getting material. I went to Fox, as directed, and told him it was necessary that the troops in the field should have the thickest and stoutest kind of navy cloth—a cloth known by that name, and recently used in the army for

pantaloon. I told him I thought it would be safe for him to get any quantity of that material into this market for the purpose of furnishing it to the government. I told him, however, that I could not make any agreement or contract myself, but still that I had no doubt, if he could get a supply of material of that kind he could furnish it to the government. Up to that time I think he had been furnishing almost all the supplies to the quartermaster's department here, in consequence of the house having means of allowing a credit to the government, while other houses would want the money for what they sold. In a few days this house sent on the blue satin. I told them at the time it was not the stuff required by the troops in the field. They said that the blue navy cloth was not to be had; that the market east was bare of it; and I received the first lot of four or five thousand yards. They said they would try to get the other kind of cloth. In a few days we received four or five thousand yards more of the same stuff, and we continued to receive it, and nothing more, during the time I was engaged in superintending the manufacturing.

Question. You considered that wholly unfit for the service?

Answer. To a considerable extent unfit. It was not stout enough, nor was it the kind of goods to make soldiers look well in the field.

Question. What were the other articles furnished?

Answer. We used the same material for the jackets.

Question. For how long a time did they continue to furnish that kind of stuff?

Answer. From the time I commenced until I resigned my position in the business, which was from the 14th of August until the 28th of September, with the exception of a few days when they were not receiving any materials, and had none. Then I bought some other material in the city from other houses.

Question. Was there not during all this time any of this navy cloth in this city?

Answer. No, sir. I presume there was hardly any of it to be had in the east, judging from the statements I have heard. It has been a very scarce article.

Question. What have you to say in relation to the shirts?

Answer. The shirts were made of common gray flannel—some of it mixed more or less with cotton.

Question. What did Child, Pratt & Fox charge per yard for that?

Answer. Thirty-seven and a half cents.

Question. What could you buy that kind of goods for at other houses, or in the east?

Answer. I have never dealt in that kind of goods, but I recollect that two or three years ago the price of the article was twenty-three cents; but I am aware the price has advanced very materially.

Question. Had it advanced at the time they furnished the goods?

Answer. It was reported that the article had advanced materially then, but how much I cannot say. They are asking now forty-three cents for the same article.

Question. What in reference to the haversacks?

Answer. They were made of twilled cotton and of osnaburg.

Question. At what price was that article charged by Fox?

Answer. They furnished none of that. We purchased it here in the city, of J. B. Carson & Co. We bought the first lot from that house, but the price being pretty high, I reported the fact to the quartermaster, and suggested the ordering of it from the east. That was done, and always after that we imported it from the east. We used to work up ten or fifteen bales a week.

Question. From whom did you purchase it?

Answer. I do not know. I simply furnished to the quartermaster a memorandum of what I required, and the material was delivered to me.

Question. You spoke of resigning your position. What was the reason of that?

Answer. In the first place I did not have sufficient authority to manage the business to my satisfaction. The superintendence of fifteen hundred hands absorbed all my time, so much so that I was entirely neglecting my own business. Furthermore, the officers having charge of the department had no knowledge of the business themselves, and would not allow those who did have a knowledge of it to conduct it in such a way as to produce the best results.

Question. Do you mean by that that the business was conducted so ignorantly and extravagantly by the department that you did not want to have anything more to do with it?

Answer. Precisely so. There were three establishments. I attempted to reduce the expense of manufacturing in one establishment, and adopted a plan which I thought would produce the necessary result. I judged from appearances, though not from anything which was said, that it seemed to give some dissatisfaction to the quartermaster, as it appeared to interfere with some personal relations.

Question. State all the circumstances of your proposing to reduce those expenses, and how that seemed to interfere with the designs of the quartermaster, and what those designs were.

Answer. One establishment, especially, was doing poorer work and less of it for the amount expended than either of the others, and I thought I would try and remedy the matter, if possible. We were in the habit of paying women three dollars a week for making button-holes and basting those shirts. Those who had sewing machines were paid five dollars a week, and they did not turn out more than two-thirds the amount of work they ought to have done. The principal superintendent of that establishment was a woman, who had been a saleswoman in some store on Fourth street.

Question. Who was she?

Answer. Mrs. Hunt.

Question. Put in there by whom?

Answer. By General McKinstry. I had complained several times that the business there was not going on to my satisfaction, and that it was costing too much.

Question. I understand you were the superintendent of all the establishments?

Answer. Yes, sir; the general superintendent of all; but this woman was put in as the special superintendent of that one establishment. I gave certain instructions to her, but she did not regard

them, stating that she was only under the orders of Major McKinstry. To correct the excessive expenses of the concern, and get more work for the money paid, I gave instructions that the machines, attended by some eight or ten women, more or less, which did not turn out, say, 16 or 18 shirts a day, would have its pay reduced—the machine women from five to four dollars a week, and the attendants from three to two dollars and fifty cents. This woman superintendent made a complaint to Captain Rankin, who then had charge of this clothing department. McKinstry had then gone into the field. Rankin did not seem to approve my action, and seeing that I could not control the business, I told him I should resign, and that he must get some one to fill my place.

Question. You did resign?

Answer. Yes, sir.

Question. What became of the business after your resignation?

Answer. It still went on in the same way until about a week ago, when that establishment was closed for want of materials. I believe that Captain Rankin's disbursement of moneys was not recognized by the government, he being an officer of the line and not in the staff, and he never having been in the army before. That establishment was closed about a week since.

Question. To the interest of the government, do you think?

Answer. Most decidedly. There is another establishment over my store, which was the original and principal establishment, in which they are now making flannel shirts to some extent.

(The blanket which Witzig—see his testimony—presented to the committee was here shown to the witness.)

Question. Are you acquainted with such blankets as that?

Answer. I have some knowledge of them.

Question. What kind of a blanket do you consider it?

Answer. It is of very inferior quality.

Question. Do you consider it a saddle blanket?

Answer. It is a blanket usually used for a horse blanket.

Question. What would have been the cost of that three months ago?

Answer. I should think \$1 75 a pair. A few days ago I was around this market, and I could not buy them then less than \$2 50 a pair.

Question. Is it fit for the use of the soldier?

Answer. Not at all. If they could not get anything else they might make it answer some purposes.

Question. What is the business of the firm of Child, Pratt & Fox?

Answer. They are hardware dealers.

Question. Would you have considered them the proper persons to have applied to to furnish the kind of material which was furnished by them for manufacturing purposes, if you had not been directed to do so by the quartermaster?

Answer. Not at all. Under ordinary circumstances I should not have supposed at all that they were suitable persons to furnish goods of that description.

Question. Were there not persons here largely engaged in trade, in the kind of goods you wanted, to whom you would have preferred to give your orders, if you had been doing this business for yourself?

Answer. I have thought of that matter several times, and I could not find a loyal citizen in St. Louis who dealt in that kind of goods. All the houses engaged in that kind of trade are northern men who sympathize with the rebellion.

Question. Had you been instructed to furnish those goods, could you not have got them from the east yourself for the government at as low prices, in all probability, as those parties purchased them?

Answer. Yes, sir; and I think considerable lower. I think I could have furnished them to the government for some considerable less than they were furnished by Child, Pratt & Fox.

Question. Could you not, as agent of the government, have gone into the eastern market and purchased them just as cheaply as Child, Pratt & Fox did?

Answer. Yes, sir.

Question. Thereby saving to the government the whole amount of profit paid to that house on those articles

Answer. Yes, sir.

Question. You spoke of there being here no loyal houses engaged in that branch of business. Would you have had any difficulty, under authority given to you by the government, in getting what goods you wanted from the eastern market?

Answer. I suppose I might have had some difficulty, for I am told there has been so much delay in the settlement of the accounts for goods furnished the government in the eastern cities, that many merchants rather not sell to the government than be obliged to go through the usual routine and delay in getting their payment. A gentleman told me yesterday that was the case in New York now. The same is the case here to some extent; there has been so much delay in payment even when there has been funds on hand. That has been my individual experience. I furnished some articles for General Frémont's headquarters, and I have been down there half a dozen times to get the bill settled, but have not yet succeeded. I contemplated making the proposition to Major McKinstry to go east and purchase these supplies; but, after some reflection, I thought my motives might be misconstrued, and therefore I said nothing about it. I believe I could thus have furnished those supplies of a better character, and at a great saving to the government.

Question. If you had made that proposition to Major McKinstry, and it had been accepted by him, in your opinion, what would have been saved to the government on these purchases?

Answer. I should suppose, as a general thing, 20 per cent., and possibly more.

Question. Do you not believe you could have purchased those goods at the same price that Child, Pratt & Fox did?

Answer. I think I could.

Question. You say you would not have gone to any of the heavy dry goods houses here that furnished such goods because they were not loyal. Have they not, however, sold large amounts of goods to the government?

Answer. Not a large amount. Perhaps, in the aggregate, all the houses may have sold a large amount. One of the houses, I believe,

have sold a good many blankets to the government. As a general thing the stocks of goods in St. Louis, among dry goods dealers, have been extremely limited, and no one of them had on hand, at any one time, a supply of one kind of material which would have kept our establishments going twenty-four hours.

Question. If orders had been given to dealers in the kinds of goods which have been supplied to this department—clothes, blankets, &c.—to supply them, could they have furnished them just as easily as Child, Pratt & Fox did?

Answer. Undoubtedly. In fact there was a general dissatisfaction in the streets because our dealers were not permitted to do that. So far as disloyal houses are concerned, we were instructed by a general order not to purchase anything of them.

ST. LOUIS, *October 25, 1861.*

JOHN M. FARNHAM, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. For the last six weeks I have been employed by Mr. Fox, of Illinois, receiving horses for him, getting them inspected, &c.

Question. Have you, yourself, had any contracts with the government?

Answer. I have not.

Question. In what capacity have you been acting for Mr. Fox, of Illinois?

Answer. I suppose I would be called his clerk or agent.

Question. How many horses has Mr. Fox furnished the government since the breaking out of this war?

Answer. I do not know the exact number. Since I have been with him there have passed through my hands 435 horses, or about that number.

Question. What price did he get for them from the government?

Answer. \$119 for cavalry horses, and \$150 for artillery horses.

Question. What did the horses cost him?

Answer. He sub-let a portion of this contract to parties in Springfield, Illinois, and they furnished the horses here, as I understand and believe, at \$100 a head. They commenced furnishing both cavalry and artillery horses at \$100 a head, but when they found out that Fox was getting a pretty good price for artillery horses, they raised a little disturbance, and Fox advanced the price of artillery horses \$15 a head to them. Then Fox also bought some horses here at different prices—\$80, \$85, \$90, \$95, and so on up to \$125.

Question. Did you ever experience any difficulty in getting your horses inspected? Were many of them rejected?

Answer. Of course they used to reject a good many horses every day.

Question. What became of such rejected horses afterwards?

Answer. They were dressed up and offered again.

Question. What became of them then?

Answer. Before we got through, we had no horses on hand. They all went in.

Question. What means were made use of by the contractors to get these horses passed?

Answer. That I cannot tell.

Question. Do you not know of some means made use of with certain inspectors to get horses passed?

Answer. I do not know of any. When the horses arrived here they were placed in my charge, and I used to go to the quartermaster and get an order for inspection. I would deliver the order to the inspector, and of course, if I could show the inspector a little attention, I was disposed to do so, in order to advance the interest of Fox, as long as he paid me for my services.

Question. What attentions did you pay to the inspectors?

Answer. All those little attentions which pass between man and man. I used to pay for their breakfasts and dinners, and treat them occasionally to segars, &c.

Question. What inspectors were they?

Answer. Blakely was one; Skidmore was another; and Page another. I cannot think of the name of the first man we had—Abrams, I think it was. He was the right-hand man of Singleton.

Question. What do you mean by that?

Answer. I mean that he bought horses for him and attended to them.

Question. Has he bought many horses for Singleton?

Answer. Not that I know of personally.

Question. Which of these inspectors did Fox prefer to have inspect these horses?

Answer. When he first commenced delivering horses, he got an order to have Blakely inspect them. But soon Blakely's time was taken up with other matters, and a new inspector having to be appointed, the quartermaster assigned Skidmore to Fox.

Question. Upon whose request?

Answer. I do not think any request was made when Skidmore was assigned to us.

Question. Was there at any other time?

Answer. After the first time there was. The first time no request was made. Some four inspectors were appointed that morning, as several lots of horses were to be inspected. They all came up before Major McKinstry, and he assigned Skidmore to me. I took him, and had the horses inspected. When the next lot of horses came in, I applied for Skidmore to inspect them. Fox came down a short time after that, and he applied for Skidmore; and, for the remainder of the time that he was inspector, I do not think he inspected for any one but Fox.

Question. Do you know who recommended the appointment of Skidmore?

Answer. I do not.

Question. Why did you prefer him to any other inspector?

Answer. I do not know, unless it was that he was an easier man to do business with than some others.

Question. In other words, was it not because he was not so particular in inspecting horses?

Answer. I do not know but I might call it that; I suppose it was that.

Question. Did you pay for his breakfasts?

Answer. Yes, sir.

Question. Did you pay for his lodgings?

Answer. No, sir.

Question. Did you pay for all his meals?

Answer. I took him under my supervision, as you might say.

Question. Did you pay any other expenses of his.

Answer. I do not know.

Question. Did you make him any presents?

Answer. No, sir.

Question. Do you know of any having been made to him by Fox?

Answer. I do not.

Question. Did you, neither directly nor indirectly, make any compensation to Skidmore?

Answer. I did not.

Question. Did anybody else, for Mr. Fox?

Answer. No further than in the way I have named.

Question. What do you know of any money having been paid to him?

Answer. I do not know of any.

Question. Or to other inspectors?

Answer. I do not know of any such thing, though I have heard of its being done.

Question. Have you heard of any reports of any other inspectors taking money?

Answer. If you put your question in that form, I can tell you what I have heard. At one time, when Fox was here, during the time that Skidmore was an inspector, a party who had eighteen or twenty horses, transferred them to Fox to be put in. When the inspection came off I understand that by some kind of figuring the owner of the horses assisted Skidmore to inspect them. I suppose Skidmore thought he had a right to call to his assistance a good judge of horses, and so he called upon this man for that purpose. After he got through I was told that Fox made this man a present of money. I was told that he was paid for his services.

Question. Who gave you the information?

Answer. S. P. Roman.

Question. Who was connected with Fox in this contract?

Answer. I cannot tell, aside from the parties he sub-let to in Springfield.

Question. Did Fox have a contract with the quartermaster?

Answer. That is a question I cannot answer.

Question. In what manner did you understand that Fox was furnishing horses to the government?

Answer. He said he had a contract.

Question. About what time was it made, as you understood?

Answer. He employed me the first Monday of September.

Question. Had he been purchasing horses prior to that.

Answer. He had, and had been delivering them here on his own account. I think he told me he had delivered some three hundred head before I commenced.

Question. How many were purchased and delivered after that.

Answer. Somewhere about 435 head. When we first commenced, the first voucher I made out to the government I made out for artillery horses, at \$125 a head, and then G. W. Fox, of the firm of Child, Pratt & Fox, came to me and told me he had made a new arrangement with McKinstry, by which we were to obtain \$150; and he wanted that I should inform B. F. Fox, and govern myself accordingly, which I did.

Question. How did it happen that you made out this account at \$125 for artillery horses?

Answer. That was the way I understood it was to be done.

Question. Then Fox, of the firm of Child, Pratt & Fox, told you he had made a different arrangement with McKinstry, by which artillery horses were to be furnished at \$150 apiece.

Answer. Yes, sir.

Question. Was there any alteration made in the account you made out for military horses at \$125 apiece?

Answer. I do not know.

Question. About what time was it that you furnished that account made out at \$125 a head?

Answer. It was between the 1st and 13th of September.

Question. How many horses were embraced in that account?

Answer. I cannot tell.

Question. As nearly as you can remember.

Answer. All I can say is that the certificate received from the inspector will show.

Question. That certificate was based upon the charge at \$125 each.

Answer. Yes, sir.

Question. And you received a certificate from the quartermaster setting out the price at \$125.

Answer. I had made out the vouchers at that figure, and presented them to the quartermaster for signature, and whether or not he altered the price I cannot say.

Question. From whom did you understand that the horses were to be furnished at \$125 each?

Answer. From E. W. Fox.

Question. To whom did you furnish the account for the horses at \$125 each to be submitted to the quartermaster?

Answer. To E. W. Fox, in the absence of his brother B. F. Fox. His brother told me that E. W. Fox held a power of attorney from him to transact the business.

Question. Was it about the 13th of September that you were notified by E. W. Fox that he had made a different arrangement, and that artillery horses were to be furnished at \$150?

Answer. Thereabouts.

Question. What portion of all these 700 head of horses were delivered after the 13th of September?

Answer. Most of the 435 horses were delivered after that.

Question. What proportion of the artillery horses which were furnished were delivered subsequent to the time E. W. Fox told you that the price was changed from \$125 to \$150?

Answer. For a rough guess, I should say that one-third of the horses put in were artillery horses.

Question. What was the cost of artillery horses to you in this city?

Answer. They cost different prices, from \$100 to \$125 a head.

Question. What would be a fair average of their cost?

Answer. Perhaps \$110 or \$115.

Question. What would be their average cost, taking into consideration all expenses, until they were delivered to the government?

Answer. Perhaps \$112 50.

Question. What would be the average cost of the cavalry horses?

Answer. They cost in the vicinity of \$100 to \$105.

Question. State what relationship existed between Mr. Fox, of the firm of Child, Pratt & Fox, and the Mr. Fox who had this contract for furnishing horses.

Answer. They are brothers.

Question. What business was B. F. Fox engaged in prior to the time when he commenced filling this contract?

Answer. In the hardware business.

Question. In this city?

Answer. In Springfield, Illinois.

Question. Who were the sub-contractors in Springfield, Illinois?

Answer. One firm was Matheny, Eastman & Co. John Williams, George Dey, and Peter Van Burgen compose another firm. John Williams was the head man.

Question. What business were those sub-contractors in Springfield engaged in?

Answer. I cannot tell certainly. John Williams, the head man of the last named firm, is a banker. George Dey is a farmer. Burgen also is a farmer. Matheny, I think, is a speculator. Sutton, in that same firm, is a house-carpenter. Eastman has been a railroad contractor.

Question. What was the nature of the sub-contract which they made with Fox?

Answer. They agreed to furnish horses at \$100 a head; but when they found out that Fox was getting more for artillery horses, they made a fuss, and Fox then raised the price to \$115 for artillery horses. The cavalry horses still were furnished at \$100 a head. The first lot of horses was inspected by Abrams. He was followed by Blakely, and then came Skidmore. He was employed by the government but eight days, and during all that time he inspected for Fox. I paid his ordinary expenses. I did it to keep him with me, so as to have him convenient when I had horses to be inspected. One morning he was a little dilatory in coming to the office, without excuse, and they discharged him, and that was the last of his inspection.

Question. Was any person employed to assist him in the inspection?

Answer. Yes, sir; one day.

Question. Who was that?

Answer. Sample.

Question. How much money was paid to him, and by whom?

Answer. I cannot say. The man that told me said it was a pretty good joke that the man who owned the horses should then inspect them, and then get paid for the work. He said that Fox gave the man \$5.

Question. Do I understand you to say that, so far as you know, either from your own knowledge or hearsay, the only influences brought to bear upon Skidmore, upon Sample, or upon any other person engaged in the inspection of horses, was the payment of that five dollars to Sample, and the courtesy of yourself to Skidmore in supplying his wants and looking after him generally during the time he was employed in that business, and that beyond that you know of no payment of money or of gifts to any one of those men?

Answer. Well, that question covers a good deal of ground. I do not know that I know anything beyond those influences. I have heard some things which are merely hearsay, and whether there is any truth in them or not, I do not know. Here are some six or eight different inspectors who have inspected horses for Fox. There is Saxton, the chief inspector, who has inspected horses for Fox, and I have been told that he made two horses out of somebody—of whom I do not know, but suppose it was some one in the country—for inspecting horses. I cannot tell who told me that. Saxton was riding a horse along the street one morning, and I overheard a conversation between two gentlemen. One of them remarked that that was a horse Saxton made yesterday. Whether there was any truth in it or not I do not know. I have heard, also, that the firm of Williams & Co., of Springfield, Illinois, one day gave a horse to Saxton for putting in their horses.

Question. Who told you that?

Answer. I do not know. So far as I am concerned, and so far as Mr. Fox is concerned, I have told you all the influences which were made use of with inspectors. The parties which sent down horses from Springfield may have paid the inspectors to get their horses through.

Question. Do you know that they did?

Answer. I do not.

Question. Have you any reason for believing that they did?

Answer. You are getting me upon a tender point, and I want to tell the truth.

Question. What reason have you for believing that either of the firms at Springfield, or any person acting for them, or either of them, or for Mr. Fox, made use of any influences whatever, directly or indirectly, to induce a favorable inspection of any of those horses which were delivered under this contract to the United States government after your employment by Fox?

Answer. I heard Mr. Van Bergen say one morning that he would be willing to give a horse to an inspector who would take his horses and treat them in such a manner as they ought to be treated, and put

them through. He said a horse was nothing ; he did not care about a horse. Sometimes the inspectors used to throw out a good many horses. In such cases they would keep them and nurse them up. He thought the horses ought to go in, and he said he would give a horse to get them in. Whether he did or not I do not know. If the inspector had asked a horse, I have no doubt he would have got it ; I know he would.

Question. Do you know of any of them getting a horse?

Answer. This man Saxton of whom I spoke had two horses, which it was said he had got in that way. Whether he did or not I cannot say.

Question. Were those two horses brought to this city for inspection?

Answer. One of them was. He would get a horse, for instance, from Smith, and by trading it off he would get a little better horse, and so on until finally he would have a good artillery horse which he would make something on.

Question. Have you made a full answer to the question I have asked you to the best of your knowledge, information, and belief?

Answer. I have, so far as I know.

Question. Of which of the firms at Springfield, the first or the last, is Van Bergen a member?

Answer. The last firm.

Question. In what business are you now engaged?

Answer. No business. I left Fox's employment last Friday night.

Question. Were any portion of the four hundred and thirty head of horses brought here by you finally rejected?

Answer. The first firm, of Matheny, Eastman & Co., delivered two hundred and twenty-two horses, and I think they sold in this city three or four horses, and took one back to Springfield. Of that lot they had probably thirteen rejected. I do not know how many the other firm had rejected.

Question. Do you know of horses rejected by one inspector being received by another inspector?

Answer. Yes, sir. When a horse was rejected by one inspector, as soon as he could shuffle the cards he would crowd him in again, and he would go through.

Question. In the same category—that is, as cavalry or artillery horse?

Answer. Yes, sir.

Question. Do you know of any transactions of that kind as far as Skidmore is concerned?

Answer. I am telling you what I have learned, and some things which I know. I think I put in several horses under him in that manner. As I told you before, I did the best I could.

Question. Explain how it was that Skidmore would reject a horse one day, and afterwards be induced to accept the same horse the next day or the day after?

Answer. He was quite an old man, and I suppose he would see differently at different times. His eyesight was poor.

Question. What influences were brought to bear to affect his judgment?

Answer. I cannot say. I did all the good talking I could to get the animals through, but whether I had any influence or not I cannot say, though I think he thought whatever I said was nearly right.

Question. State whether you know of Saxton receiving any money of Fox, or any person in his employment, connected with or growing out of the inspection of any of those horses, or of the giving certificates for their payment.

Answer. Only ten dollars, which Fox told me he paid Saxton for altering the inspection receipts.

Question. How many were altered ; and for what purpose ?

Answer. They were altered in order to cut the vouchers up into smaller amounts so that he could use them. If we wanted a voucher for \$1,200 we would go to work and select out a number of horses which would come as near to that amount as possible, and we would get the inspector to sign that certificate, and that would be the basis of the voucher for that amount.

Question. How many of those alterations were made at the time the \$10 were paid ?

Answer. Perhaps half a dozen inspector's receipts were altered and made into a dozen or so.

Question. And for the alteration of these half dozen receipts into a dozen of smaller amounts, Fox told you he paid Saxton \$10 ?

Answer. Yes, sir.

Question. Was it the duty of the inspector to sign those receipts ?

Answer. Yes, sir. When I first commenced with Fox he had on his own private account, at the stable of Brent, in this city, thirteen or fifteen horses which had been rejected. After that there was a lot more rejected—some fifteen in all. One of those horses had a badly split hoof, and I was told by the party himself who doctored that horse that he went to work and puttied up that hoof by pouring in gutta percha. Some of those horses which were blind had their eyes doctored. All those horses went in except some half dozen.

Question. Who finally inspected them ?

Answer. They were inspected by different inspectors. It would not answer, you know, to bring them all up before one man. In addition to his horses, he put in at the same time one hundred and sixty-five mules. The contract, as I understand it, was sub-let to Williams & Co., and they only furnished fifty or sixty mules.

Question. At what price were they to furnish the mules to Fox ?

Answer. At \$100 a head, delivered here. They did not deliver the mules so fast as Fox wanted, and he let out the contract here to a man by the name of Allen for \$100 a head. Allen has delivered ninety-two mules.

Question. When you speak of the price of horses to be delivered by the Springfield sub-contractors, do you refer to the price at which they were to be delivered in this city ?

Answer. I do.

St. Louis, *October 25, 1861.*

JOHN S. HARVEY, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. My residence is in Illinois.

Question. Have you furnished any horses to the government?

Answer. I have put in a very few horses which went to the use of the government.

Question. Did you, on any occasion, give money to an inspector of horses?

Answer. No, sir. On one occasion I handed to a man who assisted in the inspection five dollars for his assistance to me. He was not an inspector. I ascertained afterwards that he had nothing whatever to do with the inspection. The day was a bad one; I was in a hurry to get through. He assisted me, but I did not give him the money until we had nearly got through.

Question. What was his name?

Answer. I do not know. He had some horses there, and at the time I supposed he was assisting the inspector, but I afterwards ascertained that he was not.

Question. What did you hand the five dollars to him for?

Answer. For assisting me.

Question. Was he not assisting the inspector also?

Answer. I think he was not employed by the inspector.

Question. Who was the inspector?

Answer. Mr. Page. I afterwards asked Page about this man, and he told me he was not an assistant at all. I never gave an inspector a dollar, in any way, shape, or manner, as a bribe.

Question. What did this man do for you?

Answer. He assisted me in showing my horses.

Question. Did you suppose he had some influence in getting the horses passed?

Answer. I supposed at the time that he had, but I understood afterwards that he was not employed by the inspector at all, and was in no way connected with him.

Question. How many horses did you put in?

Answer. I had eight of my own.

Question. At what price did you sell them?

Answer. For \$85 and \$90.

Question. To whom?

Answer. To a man supposed to be connected with Mr. Fox. He was from Illinois, and I think his name was Simpson.

Question. You did not sell your horses directly to the government?

Answer. No, sir. On one or two other occasions I put in some horses up here where Busbyshaw was inspecting.

Question. Do you say you never influenced or attempted to influence the action of any inspector or officer of the government by gifts, or in any other way, for the purpose of getting your horses inspected?

Answer. Never, to my knowledge. I have never given a dollar to them in any way.

Question. You said it was a good day to pass horses ; what led you to make that remark ?

Answer. I did not make that remark, I believe. It was a wet and bad day, and I was in a hurry to get through, and I remarked to this man that I would pay him if he would help me to get through.

Question. Did you inquire of another person why he did not take up his horses that night, and at the same time remark that it was a good time to get horses through that night ?

Answer. I do not know but I did.

Question. Did you not say that they passed almost anything ?

Answer. It may have been so.

Question. If you did make that remark, what led you to make it ?

Answer. I am not positive that I made it, but possibly I might have done so.

Question. When was this ?

Answer. In September.

Question. If you did make the remark, what led you to make it ?

Answer. It might have been because some horses were passed there which other inspectors would not have passed. I thought that perhaps they were not quite as particular there as they were at some other places.

Question. Were there some horses passed at the inspection which, in your judgment, would not have passed at some other inspection ?

Answer. I think probably there were some.

Question. What was the matter with those horses ?

Answer. I thought one or two that were passed were undersized.

Question. Did you see any unsound horses passed there ?

Answer. I think there was one which had a windgall or something of that kind. I do not know as that would render him unsound. Some might call it unsoundness ; my experience leads me to the conclusion that windgalls never injure horses, but I had noticed that some inspectors rejected horses that had that disease.

Question. Were all the horses you got passed that night sound horses ?

Answer. I cannot say whether they were or not. One of them, I think, had a windgall.

Question. Was anything else the matter with him ?

Answer. Not that I recollect of.

Question. State the exact purpose for which you paid that five dollars ? Was it only to induce that man to help you get the horses out and bring them up to the inspector ?

Answer. My object was to get through as soon as possible, and he was a pretty good hand to show horses. I did not know his name, but I had seen him looking at horses, and I told him I wished he would assist me in the matter, and when we had nearly got through I handed him five dollars.

Question. You did not expect him to handle the horses ?

Answer. Yes, sir ; he did help do it.

Question. You thought at the time that he was acting in concert with the inspector ?

Answer. I supposed he had something to do with it, but afterwards I found out that he had not.

Question. At the time you paid him the five dollars you thought he was acting with the inspector?

Answer. I supposed he had something to do with the inspection.

Question. He seemed to be acting with the inspector?

Answer. Yes, sir; he was looking at the horses. I think the inspector called upon him and asked his opinion about certain horses.

Question. And after you heard his opinion asked you paid him the five dollars?

Answer. It was after some of the horses had been passed.

Question. Did this inspector pass some horses upon the judgment of that man?

Answer. The inspector asked his opinion, but whether he passed the horses upon that opinion I cannot say.

Question. Did the inspector pass the horses in reference to which he asked this man's opinion?

Answer. I think he passed some of them and some of them he rejected.

ST. LOUIS, *October 25, 1861.*

JAMES P. COHGAN recalled:

Question. How many saddle-blankets did the firm of Child, Pratt & Fox furnish to the government?

Answer. About 2,500.

Question. At what price?

Answer. At two dollars each.

Question. What did they cost that firm?

Answer. They cost different prices—\$1 25, \$1 37½, and \$1 62½.

Question. What portion of them cost \$1 25?

Answer. But a small portion; I cannot say how many.

Question. What portion of them cost \$1 37½?

Answer. I should say the greatest portion of them.

Question. What portion cost \$1 62½?

Answer. A small portion.

Question. What would be the per cent. of profit on that sale of blankets?

Answer. About 40 per cent.

Question. Would the profits on the remainder of the goods sold by Child, Pratt & Fox to the government be about the same as the profits on the goods mentioned in your testimony of yesterday and this morning?

Answer. I should think so.

Question. Were those goods furnished under a general contract, or was the firm of Child, Pratt & Fox employed as the agent of the government in making the purchases?

Answer. I can answer that question in this way only: that the orders came to our house from the quartermaster's department—from McKinstry—and we filled the orders.

Question. Did those requisitions simply mention the goods to be furnished?

Answer. They simply specified the articles, and we furnished them accordingly.

Question. Was any contract made between your house and the quartermaster as to the price at which those articles, or any of them, should be furnished?

Answer. None that I am aware of.

Question. If there was any agreement as to the price at which they should be furnished made before the articles were furnished, you would probably have had a knowledge of it?

Answer. I would have known it. I know of no such contract.

Question. From the time of commencing the delivery of these articles up to this time has there been any agreement between the firm of Child, Pratt & Fox and any government officer connected with the quartermaster's department, fixing the price of these various articles?

Answer. None that I am aware of.

Question. If there had been any such contract it would have come to your knowledge?

Answer. I would have known it.

Question. Then, so far as between the government and the firm of Child, Pratt & Fox, the prices of these various articles which that house has been delivering to the government have not been fixed upon by the mutual action of the government upon the one hand and that firm upon the other?

Answer. The prices have been fixed by the vouchers which we held, signed by Major McKinstry. He passed our bills and signed them.

Question. When a requisition was made upon you, and your house furnished the articles, did you designate in your account rendered the prices at which you furnished them?

Answer. We did.

Question. And sent the bills to the quartermaster's office.

Answer. Yes, sir.

Question. Were they submitted to Major McKinstry himself?

Answer. They were sent to his office.

Question. Were they submitted to him, or were they subject to the inspection of some subordinate of that department?

Answer. They were examined by the chief clerk, or by the cashier.

Question. Who certified to their correctness?

Answer. The cashier and McKinstry signed them.

Question. How would the chief clerk or McKinstry know whether the prices which were charged were proper prices?

Answer. I cannot tell.

Question. Did you generally submit those accounts to the quartermaster's department yourself?

Answer. I usually sent them there.

Question. Was there ever any difference of opinion between your house and McKinstry, or his clerk, as to the price at which any of those articles should be furnished by you?

Answer. Not that I know of, with one exception. When I was in

McKinstry's office, one night getting our accounts adjusted and put into the shape of vouchers, McKinstry cut down the price on a lot of pants from \$4 to \$3 65.

Question. When was that?

Answer. A month ago.

Question. How long was it before he left the quartermaster's department, or rather ceased to be assistant quartermaster in this city?

Answer. Probably ten or twelve days.

Question. Then up to that time, and with the exception of that single article, the prices as you had fixed them in the accounts you had rendered were universally accepted by Major McKinstry or his clerk?

Answer. Always.

Question. Had you any conversation with Major McKinstry or his clerk as to the cost of those articles?

Answer. Never.

Question. Was it understood that you were to buy those articles and receive the ordinary mercantile commission?

Answer. I do not know anything about that.

Question. In furnishing these articles to the government what was the understanding between McKinstry, or his clerk, or any person acting for him, and this firm, as to the basis upon which the price of the various articles furnished should be fixed?

Answer. I do not know as there was any understanding as to the price. I should say there was not.

Question. And the prices charged in your bills as rendered were universally accepted and received, and certified to be correct, with the exception of the one instance to which you have referred?

Answer. Yes, sir, so far as I know, with perhaps the further exception of their deducting 15 cents each from the price of a lot of 100 cast-steel spades.

Question. Do you remember any other articles on which they made a deduction?

Answer. I do not.

Question. How long since that transaction in reference to the spades?

Answer. Early in the summer.

Question. State upon what principle those two deductions were made, and for what reason.

Answer. We had furnished the greater portion of the spades at a dollar each, and I suppose the clerk, seeing this lot of extra spades charged at \$1 15, thought he would strike off the 15 cents and make the charge conform to other charges for spades; he did it without any explanation; I remonstrated against it.

Question. Then the only point upon which there has been anything like mutual concert of action between your firm and the quartermaster's department was as to the articles to be furnished—your prices having been uniformly accepted, with the two exceptions you have made?

Answer. That is as I understand it.

Question. Do you know whether either McKinstry or his clerk devoted any attention to the market in this city or elsewhere, to ascer-

tain at what prices those various articles could have been furnished, and whether the prices charged by your firm corresponded with prices elsewhere?

Answer. I do not.

Question. Did you ever hear of McKinsty, or any person acting for him, inquiring either here or elsewhere as to what was a fair price for those various articles?

Answer. No, sir.

Question. Were the great body of the supplies of the character which have been specified, and which have been furnished in this city, furnished by your house?

Answer. I suppose so.

Question. What proportion of the articles furnished by your house to the government were in the line of the business of Child, Pratt & Fox, and what proportion of them were outside of their business entirely?

Answer. About one-fourth of the supplies were composed of articles which generally belong to a hardware store, and about three-fourths were outside their regular business.

Question. And all those goods were purchased by your firm for the government.

Answer. Yes, sir.

Question. And turned over upon those requisitions?

Answer. Yes, sir.

Question. And were purchased on the requisitions?

Answer. No, sir, not on the requisitions; the goods were purchased before we got the requisitions.

Question. Was there any understanding about it?

Answer. No, sir; but we thought we could furnish the articles.

Question. You purchased them for the purpose of supplying the government

Answer. Yes, sir; but not knowing whether we should furnish them.

Question. But in anticipation of the requisition?

Answer. We should not have purchased them if we had not supposed we could sell them.

Question. With an understanding that you should furnish them.

Answer. No, sir; no understanding; a considerable portion of the goods purchased in St. Louis were purchased upon requisitions received from day to day; the greater portion of the goods supplied to us came from New York upon no special requisition.

Question. A requisition was made for those goods.

Answer. Not until after we had purchased them.

Question. Have you any considerable amount on hand for which no requisition has been made?

Answer. Not any considerable amount.

Question. You have spoken of the cost of those articles to your firm; please state what entered into that computation of cost, using that word in the sense in which you have used it in your testimony.

Answer. The original cost of the article in the first place, the cost of transportation, the insurance and the exchange.

Question. Does that exchange cover interest?

Answer. We do not pay interest, as we buy for cash.

Question. There would necessarily be some interest between the time of corresponding with New York and the transferring of the goods over to the government; now was the price placed sufficiently high to cover the interest for that time?

Answer. When we buy for cash we have 30 days in which to make the payment, according to mercantile usage.

Question. Then the original cost, the cost of transportation, the exchange and the insurance enter into the item of cost?

Answer. Yes, sir.

Question. Was drayage on the goods charged in?

Answer. That was charged to the government.

Question. Then whatever you charged to the government over and above the cost at which you purchased the articles—that cost being based upon the items you have mentioned—would be clear profits to your firm?

Answer. Yes, sir.

Question. What rate of exchange did you charge against these goods?

Answer. On the average about 10 per cent., but sometimes as high as 12 per cent.

Question. In what funds have you received your payments from the government, so far as you have been paid?

Answer. The payment has been so very trifling that it does not amount to much; we have received it in treasury warrants payable in two or three years.

Question. They are nearly at par here.

Answer. Yes, sir.

Question. How much below gold?

Answer. Probably one per cent.

Question. If you have charged ten per cent. exchange into the cost of all these articles, and you get government funds in payment at par, that will make ten per cent. more profit to be added to this whole transaction.

Answer. I should say so.

Question. Then the cost of those goods to the government would be, in the first place, the original cost of the goods; second, the cost of transportation; third, the insurance; fourth, the ten per cent. exchange, and fifth, the profit which you made on the goods.

Answer. Yes, sir.

Question. State whether, in rendering these accounts to the government, you adopted any regular system of charges—as, for instance, whether you added any regular percentage upon the articles furnished, over and above the items constituting the cost, or whether the charge was altogether arbitrary?

Answer. Our firm endeavored to furnish the same articles at the same prices all the way through.

Question. Then you adopted some regular principle, and did not act arbitrarily?

Answer. For instance, we would receive an order for one hundred

spades ; we would fill that order and charge one dollar for the spades ; when another order for spades came we would put them in at the same price.

Question. So that if you, at one time, put in at one dollar an article which cost 80 cents, you would put it in afterwards at the same price though it should cost 85 cents.

Answer. Yes, sir.

Question. Then your rule was an arbitrary one ?

Answer. It may be so considered ; in one case, where we had raised the prices of the same article, we were asked by McKinstry's clerk why we did not keep the prices uniform ; so we endeavored afterwards to keep the prices as nearly uniform as possible.

Question. Did your house act as a commission house for the sale of articles to the government ?

Answer. No, sir ; in no instance.

Question. Did you sell saddles to the government ?

Answer. We sold saddlery equipments, and saddles also.

Question. Did you purchase any saddlery equipments at Chicago ?

Answer. Yes, sir.

Question. Of whom ?

Answer. Of Condict, Woolley & Co.

Question. What do you mean by saddlery equipments ?

Answer. I mean saddle complete, bridle, blanket, nose-bag, picket-pin, picket-rope, pair of holsters, and everything complete.

Question. How many sets did you purchase from that house in Chicago ?

Answer. I think about 650 sets.

Question. With what member of that firm was the contract made ?

Answer. The contract was made in our store with some member of that firm, but what member I do not know.

Question. Who, connected with the quartermaster's department, came with him into the store ?

Answer. I do not think any one did ; I have no knowledge of any such occurrence.

Question. What have you heard about that man first making an application to the quartermaster's department ?

Answer. I have heard of no such thing.

Question. What did you pay Condict, Woolley & Co., for those equipments ?

Answer. \$37 50 ; that is, including everything we supplied ourselves ; for instance : a currycomb and brush, and a picket-pin.

Question. What did you buy from them ?

Answer. They supplied us with saddle, bridle, and bit.

Question. What did you pay that firm for the saddle, and bridle, and bit ?

Answer. I do not know exactly ; I figured up that all the articles would cost us \$37 50.

Question. At what price did you sell them to the government ?

Answer. \$40 a set.

Question. Did you put in the articles which you furnished towards making the sets complete at wholesale or retail prices ?

Answer. At wholesale prices ; the articles we supplied to make the sets complete were supplied at the same prices at which we would have sold them to the government separately.

Question. Would not \$37 50 have been the ordinary price at which you would have sold those articles to an individual ?

Answer. I cannot say ; I do not deal in those things, and I cannot say.

Question. You cannot tell what the cost of the saddle and bridle and bit were ?

Answer. I cannot.

Question. Did Condict, Woolley & Co. apply to you to sell those saddles on commission ?

Answer. Not that I am aware of. We gave them orders for several hundred, but we could not get them as fast as we wanted them.

Question. Were these articles sold at the prices at which they could have been sold in this market to individual citizens, and did you take those prices as the basis upon which you furnished the government ?

Answer. They were. We had orders for weeks ahead for these articles, but we could not get them.

Question. What is an ordinary mercantile profit ?

Answer. In our business from $17\frac{1}{2}$ to 25 per cent. In dry goods business it is not so much.

Question. Over and above the original cost of the goods, the cost of transportation, exchange, and insurance, what would be a fair percentage upon all the articles which you have furnished to the government ?

Answer. I should say $17\frac{1}{2}$ to 20 per cent.

Question. What is a fair estimate of the percentage which your firm has realized on all the goods which it has sold to the government ?

Answer. I should say about 25 per cent.

Question. Was your firm engaged in the purchase of horses or mules for the government ?

Answer. Not that I am aware of.

Question. Was any member of your firm engaged in that business ?

Answer. Not that I know of ; if they had been it would have come to my knowledge.

Question. Was Mr. Fox, of your firm, connected with any other person who was furnishing horses or mules ?

Answer. I do not know ; he has a brother living at Springfield who has been furnishing horses to the government.

Question. What business transactions has your firm had with the government, over and above those connected with the furnishing the supplies, to which your testimony has already applied ?

Answer. None that I know of.

Question. If there had been any such would you have known it ?

Answer. I think I should.

Question. Was a member of your firm in Washington city during July of last summer ?

Answer. Yes, sir.

Question. Which one ?

Answer. Mr. Fox.

Question. Were you aware of his purpose in going there at that time?

Answer. No, sir.

Question. Did you hear from him, or from any other person, the purpose of that visit?

Answer. No, sir.

Question. With whom did he go there?

Answer. With Frank Blair, I am told.

Question. Did you understand who else went with him?

Answer. No, sir.

Question. Did you understand, from any person, that one purpose of his visit there had connexion with retaining Major McKinstry in the quartermaster's department.

Answer. I do not know anything about the object of his visit.

Question. What is your belief, based upon your knowledge of the firm of Child, Pratt & Fox, and based upon your knowledge of their cash accounts, as their cashier, as to the amount of money which was appropriated by any member of that firm towards the purchase of the testimonial to Major McKinstry, or to his wife, or to any other person or persons having connexion with the government at St. Louis?

Answer. I do not know, as a fact, that any money has been so appropriated, but my belief is that if such is the case it has not exceeded \$500.

Question. What is your best information and belief as to the amount so contributed?

Answer. My belief is that it does not exceed \$500.

Question. By what member of the firm was it contributed?

Answer. By E. W. Fox, if by any one.

Question. And to what particular object of testimonial?

Answer. I cannot tell.

Question. Is that belief based upon moneys drawn from the firm through you as cashier?

Answer. Yes, sir.

Question. Then you know that some money was paid?

Answer. No, sir; but it is my belief that it was appropriated to that purpose. From circumstances which I heard outside, the idea was left in my mind that the money was so applied.

Question. What is your belief, based upon your knowledge of the business of that firm, as to whether the sum so applied fell below or exceeded \$500?

Answer. My opinion is, that the amount appropriated for a testimonial to Major McKinstry, or his lady, has not exceeded \$200; and to any other person it has not exceeded \$300.

Question. Who is that other person?

Answer. I have understood it was Mrs. Frémont.

Question. What is your belief, based upon your connexion with that firm, as to whether that money was applied to the purchase of a testimonial in consideration of public services rendered, or on account of the connexion of your firm with the government through them in the contracts for furnishing supplies?

Answer. I cannot say. I should say it was done purely through friendship, as a testimonial of personal respect.

Question. Were those testimonials furnished to the parties you have named at the very time these contracts were being filled, and those articles being supplied?

Answer. Yes, sir.

Question. You have stated that in making up the cost of these articles, and in calculating the profits on them, you charged against them ten per cent. exchange? After having done that, you think the net profits of the firm of Child, Pratt & Fox would average 25 per cent.? If they should be paid in funds which were par here would not their average profits then be 35 per cent.?

Answer. It would.

ST. LOUIS, *October 25, 1861.*

FRANKLIN D. CALLENDER recalled :

Question. Will you state to the committee what you know about a lot of Hall's carbines being purchased for the government ; of whom they were purchased ; by whom ; what number ; at what price ; whether they have been paid for ; and if paid for, how paid ; and to whom payment was made ?

Answer. From accounts which have been forwarded to me, it appears that 5,000 Hall carbines have been purchased, and by order of General Frémont, as I understand. The accounts specified that they were purchased of J. Pierpoint Morgan, of New York. 2,500 of them are charged at \$55,550. That amount was paid by me by order of General Frémont. The money for that purpose was transferred to me by Captain Turnley, assistant quartermaster. \$82,662 50 was transferred to me by Captain Turnley for the payment of arms ; and from that amount I paid the \$55,550. The other 2,500 have not been paid for by me, nor have I any reason to believe that they have been paid for by any one else. I think the money was turned over to me by check on New York, and a check was drawn payable to the order of J. Pierpoint Morgan, of New York. A gentleman, Mr. Howard, who interested himself about it, signed a receipt for it as Mr. Morgan's attorney, and he was to get a power of attorney legalizing his transaction. That was a matter of precaution, to have some evidence of the payment. The remainder of the money received from Captain Turnley was paid to John Hoey, and a receipt from Mr. Howard taken in the same way. Referring to my previous testimony, I was asked whether I had had offers for shot and shell for less prices than I expected to pay. Since I was before the committee I have looked over my papers, and I find that there is an offer for canister shot, from some one in Chicago, at four cents a pound. In this connexion I would also mention that a party from Portsmouth, Ohio, came to my office, and I had some conversation with him about shot and shell. He asked me if it would make any difference if he offered to deliver them at less price than I was expecting to pay. I told him I did not think it would. In that

conversation I authorized him to send a certain quantity—more as a sample than anything else. I have received notice that he has sent, or is about to send in.

Question. State whether, in connexion with your official duties, you have purchased any saddles for the use of the government; and if so, of whom, and at what price, including horse equipments?

Answer. I am purchasing now all the time, and am having them delivered to me from various parties. They are horse equipments, which consist of saddle and bridle complete, spurs and strap, saddle-bags, and the complete equipment of a cavalry soldier, except saddle blankets. They are of the McClellan pattern, at \$30 30 the set.

Question. State again the cavalry equipments which you have purchased at that price?

Answer. I purchase the saddle complete, including saddle-bags, the bridle complete, the lariat rope and picket-pin, currycomb and brush, water bridle, and halter.

Question. Have you purchased those sets in this city at that price?

Answer. Yes, sir; and two or three parties here are delivering them to me now.

Question. For what length of time have you been able to purchase them at the price you have mentioned?

Answer. For two or three months past. When I was ordered to provide horse equipments I informed myself from ordnance officers what had been paid for such articles elsewhere, and those prices I have paid here.

Question. Were those articles manufactured in this city?

Answer. Yes, sir; here and in Cincinnati.

Question. Were those manufactured in Cincinnati furnished in this city at the price you have named?

Answer. Yes, sir; but the government pays the freight upon them from that point.

Question. What is a fair price, in this market, for harness, per set, for artillery service?

Answer. The eastern price, as I am informed, is \$85 for the harness for the two wheel horses, and \$75 for the two lead horses. I agreed to pay here an advance upon eastern prices of \$2 50 upon each horse, making \$90 for the harness for the two wheel horses, and \$80 for the two lead horses, making the entire cost of the harness for the six horses \$235 per set.

Question. If the harness were purchased east the government would have to pay the transportation upon it here?

Answer. Yes, sir. I will state further that I gave an order to a Mr. Gurney, of Chicago, for artillery harness, to be furnished by the first of November; and that I agreed to give him for the harness, delivered here, as I understood it, he to pay the freight, six dollars a horse above the eastern price. At that time I was fearful we could not get harness as rapidly as we needed it. Since I was before the committee last I have received another letter from the ordnance department, stating that they are paying for shot and shell, in large quantities, from three to 3½ cents per pound.

St. Louis, *October 25, 1861.*

JOHN R. JOHNSON, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a sail maker.

Question. Have you, or have you had, any contract with the government for furnishing any materials?

Answer. We have had contracts, not with the government, but with agents under the government.

Question. What contracts have you had with any agents under the government, and with whom?

Answer. We first had a contract with J. R. Bull, and since that with Joseph S. Pease.

Question. What did you agree to furnish to the government through Mr. Pease?

Answer. Tents, tarpaulins, and wagon covers.

Question. Did you render your bills to Mr. Pease or to the government?

Answer. To Mr. Pease.

Question. Did you make out the bills to Pease?

Answer. Yes, sir.

Question. Did you not make out the bill to the government, and receipt it?

Answer. No, sir. It strikes me now that I did receipt one bill.

Question. Was it not your custom in selling goods to Pease to make out the bills to the government?

Answer. No, sir ; the bills were all rendered to Mr. Pease.

Question. Were they not made out in the name of the United States?

Answer. No, sir ; they were not. It strikes me now that Pease did bring us one United States duplicate bill to get our receipt upon it before it was paid. That contained only one item.

[Two bills made out by the witness against the United States (bills furnished the committee by the quartermaster's department) were shown to the witness.]

Question. How do you account for those two bills which were furnished by the quartermaster's department?

Answer. I cannot account for them. It may have been that we made out two bills in that way, but I am not positive. I am confident that our last accounts were rendered to Pease, and when we settled with him we gave our receipt.

Question. I see that on your bill of July 17 you charged two wagon covers, furnished to the government at \$5 50 each. What did Pease pay you for them?

Answer. He paid us \$5 50.

Question. In what did he pay you?

Answer. In Missouri funds.

Question. On June 15, I see you furnished some duck paulins. What did you charge the government for them?

Answer. I am not confident, but I think it was \$75 each.

Question. Did you, either directly or indirectly, pay Pease any commission upon either of those bills?

Answer. No, sir.

Question. Did any of your firm, to your knowledge?

Answer. No, sir.

Question. Had Pease any interest in the transactions whatever?

Answer. Not to our knowledge.

Question. How came you to give these bills to Pease to collect?

Answer. Pease was the party we dealt with. He got the goods from us as, we supposed, the agent of the government. He made the bargain for the goods. We knew from the manner in which he came to us that he was acting under the authority of the quartermaster. He would come and get an estimate of what we would furnish certain goods for, and the understanding was that he would report to the quartermaster, and then bring an order.

Question. How many tents did you furnish to Pease?

Answer. We furnished one hundred in one lot.

Question. How many have you furnished him altogether during the last four or five months?

Answer. That is pretty much all. We have tents on hand which we made upon his order, but he subsequently countermanded the order. But he has bought four or five of them of us within the last few days.

Question. What price did you charge him for the one hundred?

Answer. \$22 each. They were wall tents with a fly, and everything complete.

St. Louis, October 25, 1861.

JOHN D. SHAFFER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a car builder.

Question. Have you built any cars for the government?

Answer. I am building some cars for the government, but as a subcontractor for Mr. Mowry, of Cincinnati.

Question. How many are you building?

Answer. Fifty.

Question. Where?

Answer. On Market street in this city.

Question. Is Mowry here?

Answer. Yes, sir.

Question. At what price did he contract to build them?

Answer. I do not know.

Question. At what price did you contract to build them for him?

Answer. I build the bodies of the cars for \$275 each.

Question. For what road are those cars designed?

Answer. For all the Missouri roads, I understand.

Question. Are the cars you are building all the cars that are being built in this city for the government?

Answer. No, sir; Mowry is building himself fifty up town.

Question. What is the cost of building that part of the car which you do not build?

Answer. The cars will cost \$350, independent of what I do.

Question. With whom did Mowry make the contract?

Answer. I do not know.

Question. Was any advertisement made for proposals?

Answer. I put in a bid.

Question. To whom?

Answer. To E. H. Castle.

Question. Did he advertise for proposals?

Answer. No, sir.

Question. Who is E. H. Castle?

Answer. I do not know; I know he is a man who has charge of the railroads here under General Frémont.

Question. Is he acting here in this city?

Answer. Yes, sir.

Question. Did he cause it to be understood that he was the party with whom to make contracts?

Answer. He invited bids.

Question. Were the bids publicly opened?

Answer. Not that I know of.

Question. Did you ever hear anything from your bid?

Answer. No, sir.

Question. Did you hear anything of the bid of Mowry?

Answer. No, sir; I have heard that he gets considerable more than my bid was; my bid was \$790 a car, complete, for such a car as the sample showed us; they wanted me to make an estimate of what I would build such a class of cars for, and I made an offer to build them for \$790.

Question. Could you have given good security for the performance of the contract?

Answer. I could.

Question. Did you offer such security?

Answer. Yes, sir; I have heard that Mowry gets \$825 for building a car inferior to what I proposed to build.

Question. Do you know the reason of that?

Answer. Captain Castle stated that my proposal was for cash, while Mowry built them to be paid for at the convenience of the government.

Question. What was the difference between your bid and that of Mowry?

Answer. \$35 a car; but in the style of car which is being built the difference would be \$150 a car.

Question. And that additional amount was given, as you understood, on account of the difference in the mode of payment?

Answer. I suppose so.

Question. Was that the only reason you heard given?

Answer. Yes, sir.

Question. Castle knew that you had put in a proposition?

Answer. Yes, sir ; for I delivered it to him myself.

Question. Did you make any inquiry of him about the matter afterwards?

Answer. No, sir.

Question. What will Mowry make upon each car you are manufacturing for him?

Answer. I suppose he can clear \$250 on each car.

Question. At what time were these cars to be finished?

Answer. I cannot tell.

Question. What was your contract in that respect?

Answer. They were to be finished in 60 days.

Question. Do you know anything about the rolling stock of the Pacific railroad?

Answer. Yes, sir.

Question. State what number of platform cars they have which could be converted into passenger cars.

Answer. They have on that road about 125 cars, which they call house cars, for the transportation of merchandise; they have 80 cattle or stock cars, 125 platform cars, and 34 passenger cars.

Question. Could those platform cars be converted readily and cheaply so that men could be transported in them?

Answer. Yes, sir; they are using them now every day, more or less, for that purpose. An expense of \$15 or \$20 upon each of them would make them comfortable for men.

Question. From your knowledge of the business of that road, if those platform cars were changed in that way so as to carry soldiers, would not the road have rolling stock enough to transport all the soldiers there are to be carried?

Answer. No, sir; not if they had to go off in a great hurry, because they have now upon the road as many cars as they have engines to pull; that is my impression from my knowledge of the road.

Question. What, then, do you understand to be the object of building these additional 100 cars?

Answer. I can hardly state; I suppose it was for the convenience of General Frémont to move very quick in case of necessity.

Question. Has not his army been moved?

Answer. My impression was that he might want to move the army back very suddenly.

Question. But for moving them forward there is no use for them now?

Answer. No, sir.

Question. In inviting proposals, was the car to which you referred pointed out as the model by which they were to be built?

Answer. Yes, sir; I bid in reference to that model.

Question. And Mowry's bid was not based upon that model?

Answer. I do not think it was; if it was, the cars which I am making for Mowry is not such a car as the model.

Question. What do you know about the building of certain street cars here for the use of the government?

Answer. I know that the government is having 25 built; that I made a proposal for building them; and that the contract was given

to parties who know nothing about the business—all outsiders; I also know that the contractor told me I would not have got the contract if I had bid \$100 a car less than I did.

Question. Who is the contractor; and by whom was the contract made upon the part of the government.

Answer. Jameson & Gage are the contractors; the contract was made by Mr. Ogden, the architect, upon the part of the government; my bid was for \$300 a car.

St. Louis, October 25, 1861.

ALEXANDER KELSEY, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. Have you any contracts with the government?

Answer. No, sir.

Question. Have you furnished the government with any goods indirectly through other parties?

Answer. I believe I have.

Question. To whom have you furnished goods?

Answer. To Joseph S. Pease.

Question. What kind of goods?

Answer. Oats and corn.

Question. Do you know what amounts?

Answer. I do not recollect; I furnished them at different times.

Question. State as near as you can the number of bushels of oats you furnished him.

Answer. I suppose I have sold him six or eight thousand bushels, perhaps more than that.

Question. At what price?

Answer. Mostly at the market price; sometimes I sold them to him on change and sometimes not.

Question. What was the market price?

Answer. I sold him some at 26 cents per bushel and some as high as 33 cents.

Question. What other articles have you furnished him?

Answer. Corn and hay.

Question. What amount of corn?

Answer. I suppose not more than fifteen or sixteen hundred bags.

Question. At what price?

Answer. I do not recollect what the price of the corn was. I know it was not over thirty cents per bushel. I think it was about twenty-eight cents.

Question. About how much hay did you furnish?

Answer. I believe it was 194 bales.

Question. About how many tons was that?

Answer. It would be 350 pounds to a bale; it would not be over twenty-five tons.

Question. What price did you charge for that?

Answer. I think it was 90 cents a hundred.

Question. To whom did you make out the bills?

Answer. To Pease.

Question. Did you make out any bills to the United States?

Answer. No, sir; Mr. Pease settled with me.

Question. Did you not furnish a bill to the United States for 28,000 pounds of hay, 18,000 pounds of oats, 6,000 pounds of corn, &c.?

Answer. I never rendered any bill to the United States.

Question. Never?

Answer. I do not recollect of any; I signed some receipts for Pease.

Question. Has any person, directly or indirectly, participated with you in the profits on those goods you furnished?

Answer. No, sir.

Question. Are the articles specified in this bill I present to you [see Kelsey's subsequent testimony for a copy of the bill] articles which you furnished?

Answer. I cannot tell without looking at my books; it may be that the hay therein specified is the hay I sold Pease.

Question. Will you consult your books and inform the committee?

Answer. I will.

ST. LOUIS, *October 25, 1861.*

JOHN M. WIMER, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. My last business was building railroads.

Question. What positions have you held in connexion with the city of St. Louis?

Answer. I have been sheriff of the city and county; I was postmaster once, mayor twice, president of the Pacific railroad, and I have held several other offices.

Question. Are you acquainted with Mr. Asa S. Jones, the United States district attorney for this district?

Answer. Yes, sir.

Question. State in general terms whether you know of any contracts with the government in which he is interested at this time, or in which he has been interested during the last five months?

Answer. I know of but one contract. I think that was for the purchase of 425 mules and 360 or 370 horses.

Question. State all you know about that contract.

Answer. There was an advertisement published in one or two of the papers here, for proposals for furnishing horses and mules. A man by the name of Wheeler, formerly connected with me in the construction of the St. Louis and Lexington railroad, spoke to me about the matter. I introduced Wheeler to Jones. I told Wheeler I would like to bid for the contract, but I had understood that in all probability my bid would not be received. I was suspected at that time

of not being exactly loyal, and the probability was they would not accept a bid from me. I said to Wheeler that if he would connect himself with Jones, who I understood had some intention of bidding, and get the contract, I would take an interest with them. A short time after that Jones asked me if Wheeler was reliable. I told him entirely so, and that I would vouch for his honesty. They had several conversations together, and Wheeler informed me they had put in two or three bids. Wheeler informed me the afternoon of the day the bids were closed, that Jones had received an interest of one-half of the contract, and Bowen the other half. He asked me who Bowen was. I could not at first make out who he was, but when I heard his Christian name, John H. Bowen, I knew who he was. I then told him who he was. He said Bowen was present when the bids were opened; that Bowen saw the amount that was bid by each party, and that he then made another bid at one-half a dollar less for the horses; that there was a compromise of the matter between Bowen and Jones, by giving one-half the contract to each. Wheeler subsequently bought out Bowen's interest for \$5,000. I assisted them in the purchase of the mules.

Question. After Bowen was bought out for \$5,000, who were the parties interested in the contract?

Answer. I understood then that Jones, Bowen, and myself were the parties interested in the contract. They afterwards took in a man by the name of Asa Thomson. It turned out in the end, when they came to divide the profits, that Thomson took my place. They divided the profits among the three.

Question. How long were you co-operating with those parties in the purchase of mules and horses to fill that contract?

Answer. Ten or fifteen days.

Question. What portion of the stock did you purchase yourself?

Answer. I think I bought in the neighborhood of 250 mules.

Question. What was the understanding of the manner in which the profits should be divided, and between whom they should be divided?

Answer. I had no conversation with Jones upon the subject. Everything was done through Wheeler. Jones was a little tender-footed about the matter in consequence of the supposition that I was not exactly loyal, and a fear that my being connected with him would injure his fair fame, and I consequently authorized Wheeler to say to Jones that I had no interest in the operation at all; and they afterwards, when I went in for my share of the profits, used that remark to shut me out.

Question. What price were they to receive for horses?

Answer. I believe they got \$119 50 for the horses. The cost of the mules and horses to us averaged from \$85 to \$90 a head.

Question. Were the horses and mules put in to the government at the same price?

Answer. Yes, sir; towards the close of the contract McKinstry pressed the matter very close, being in great need of horses and mules, and I think they purchased 50 or 100, for which they gave about \$100 a head.

Question. Would the average cost amount to \$90 a head?

Answer. I think they would average more than that.

Question. What was the average cost of all the horses furnished under the contract?

Answer. I think, perhaps, eighty-six or eighty-seven dollars—not to exceed that.

Question. In what manner were the profits of the transaction divided?

Answer. They were divided among three—that is to say, among Jones, Wheeler & Thomson.

Question. By whom was the \$5,000 paid to Bowen?

Answer. It was paid by Wheeler. Jones said he owned one-half of the contract in his own right, and that Wheeler purchased Bowen's half. Then it is said Jones surrendered to Bowen one-quarter of his interest, thereby giving to Wheeler three-fourths of the contract. In consequence of Thomson furnishing a certain amount of money, they gave him an interest.

Question. By whose hand was the \$5,000 paid?

Answer. It was paid, as I am informed, by Jones and Wheeler, by the quartermaster or his clerk. I think, at first, Wheeler tried to get an assignment of the contract from Bowen, but the quartermaster declined to allow it to be done, stating that the department did not recognize a transfer. Hence, Bowen had to receipt over the voucher, and Bowen told me that before he receipted it he got his \$5,000.

Question. What interest had you in the profits of the contract?

Answer. I was to have had one-quarter.

Question. What did you ultimately realize?

Answer. Nothing.

Question. What compensation have you received?

Answer. Nothing at all; I had got \$125 out of Jones. It was apparent to me that they tried to swindle me; I have no doubt about it. They have done it, and I intend to take satisfaction out of them personally. I was afraid of the martial law, or I would have had the account settled long ago; I did not want to be arrested. I said I got \$125 out of Jones. They were not ready to settle, they said. The fact was, they were fixing the thing up until they got the money, and then they were not prepared to settle, of course. I went to Jones to try to borrow \$300; he had not that much. I tried for \$250; he said he could not let me have that. At last he loaned me \$125, for which he has my due bill; he will sue me for it some day, I suppose.

Question. Did you talk to McKinstry about that matter?

Answer. No, sir; he would never talk to me at all. Wheeler told me at one time that they had been talking about the matter, and that they had suggested some sum they should pay me. I told them not to mention such a thing to me, that it would be a provocation to thrash somebody, and that very quick. I appealed to Jones once, and said, "I have no claim upon you exactly, but what did you suppose I was doing all that time I was buying mules? You must suspect me to be a very amiable man, indeed, to work 10 or 15 days for Wheeler and Thomson without compensation. What did you mean by telling

me that when we got through this contract we could make as much money as we pleased out of the government?"

Question. What answer did he make to that?

Answer. He said he did not know; he supposed that because Wheeler had been in partnership with me I was assisting him.

Question. Do you know of any other contract with the government?

Answer. No, sir; Wheeler told me he had several contracts for shoes, but I do not know anything about them.

Question. Is he a dealer in shoes?

Answer. No, sir; he was originally from Boston, and has a brother largely engaged in the manufacture of shoes.

Question. Do you know anything about shoe contracts?

Answer. No, sir.

Question. What do you know, if anything, about the forts erected in the vicinity of this city, whether built by contract or not, and what was the real cost of removing the earth per yard the distance it was removed in constructing the forts?

Answer. I do not know anything about the contract, but I know the points at which they are erected. The cost of removing the earth the distance it has been removed at those forts, taking into consideration the average wages during the last five months, would be 15 cents per cubic yard.

Question. Is that opinion founded upon your knowledge of street contracts in connexion with city affairs?

Answer. Yes, sir.

Question. Is that a department of business which which you have been to a greater or less extent familiar for some time past?

Answer. Yes, sir; I was partially connected with two contracts for building railroads.

Question. And as mayor of this city, have you had connexion with such business?

Answer. Yes, sir. Within the last 12 months earth could have been removed a greater distance than that for 15 cents a yard. I think 15 cents is a very high estimate.

Question. Have you noticed the manner in which the forts have been constructed?

Answer. Only in passing by them.

Question. Taking into consideration the sodding, which has been used for the purpose of embankment, what, in your judgment, would it be the additional expense of constructing those works over and above 15 cents per cubic yard?

Answer. I think that is a good price, including sodding and all.

Question. Then, in giving your answer, you take into consideration the actual condition of those forts?

Answer. Yes, sir.

Question. Have you any connexion with the Pacific railroad at present?

Answer. No, sir.

Question. You have no knowledge of the manner in which the government is using that road?

Answer. No, sir.

St. Louis, October 25, 1861.

JOHN B. VALLE, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In this city.

Question. What is your business?

Answer. I am a commission merchant.

Question. Have you been furnishing the government with anything under contract, or otherwise?

Answer. I cannot tell. I was absent from the store when Pease came down to buy some gunnybags for the fleet which went down the river about the middle of July. We sold them thinking that we sold them to the United States, and rendered a bill to Pease accordingly.

Question. At what price?

Answer. At 12 cents apiece.

Question. Are you sure that was the price?

Answer. I am.

Question. Who, besides your firm, had an interest in that sale?

Answer. No one.

A copy of voucher rendered to the quartermaster's department, and certified to as a true copy of the original voucher, by Mr. Hahn, the cashier of Major McKinstry, was here shown to the witness.

The following is a copy thereof:

" The United States to John B. Valle, Dr.

" July 31, 1861. For 10,000 gunnybags, at 13 cents..... \$1,300

"For Major Hatch, quartermaster, Cairo."

Question. How do you account for the charge being made in your bill to the United States government for 10,000 gunnybags at 13 cents, when in fact you sold them for 12 cents?

Answer. We sold the bags to Pease on the 31st of July, and we called repeatedly upon him for the amount of the bill. On the 19th of August he paid us \$500 in Missouri money on account, although we had expected to get gold. We took however what we could get. Afterwards I met Pease in the street and spoke to him about the bill. I told him it was wrong, and that we had been bothered about that bill too much. He said he would not pay me if he had a plenty of money. I then went to my partner and spoke to him about it. On the 3d of September, Pease paid us \$300 more in bankable funds, and on the 7th of September he paid us \$200 more. On the 11th he paid us \$200 more. At the time of the last payment he requested my partner to give him a bill for \$1,300 instead of \$1,200. Pease told him that was his commission upon the matter—that is the \$100 was. He said, "I make only \$100 upon this matter, and I want you to give me a receipt for \$1,300 and one for \$1,200." My partner hesitated about it, and did not like to do it. But we were hard up for money, and wanted the account, which had been running from the 31st of July to the 11th of September, settled. He insisted upon that bill being given for \$1,300, when the contract was for \$1,200 only. My

partner gave him the bill, and we got the remainder of our pay in Missouri money. I blamed my partner a good deal for doing it, but Pease insisted that the bill should be made out for \$1,300 or no pay. I have been to him forty times if I have been once, until it became a nuisance. He told me one day he would not settle at all if we did not do that. We sold the articles for cash, according to understanding, and the boats left with the bags. I was away from home at the time. We were to get the money the next day. We sold the bags too cheap. Pease put us off and off. At last we got our pay on the 11th of September. He paid us in all only \$1,200, and that in Missouri money, though we should have had gold.

Question. What was the difference between gold and Missouri currency?

Answer. About ten per cent.—perhaps 15 per cent.

Question. What difference would there have been between Missouri money and treasury notes, at that time?

Answer. We had no treasury notes at that time.

Question. In what character did Pease profess to be acting in these operations?

Answer. I do not know exactly his position in that matter. I thought he was acting for the United States government from the fact that he stated to us that the boats going down the river to Cairo, wanted the bags, and that he bought them for the government.

Question. What were they used for?

Answer. They are generally used for grain.

ST. LOUIS, *October 25, 1861.*

SQUIRE P. ROMAN, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In Illinois, but temporarily in St. Louis.

Question. What part of Illinois?

Answer. In Clinton county.

Question. What is your business?

Answer. I have been engaged in farming and other kinds of business by odd spells.

Question. Have you during the last few months had any connexion with the purchase and sale of horses in this city, in which the government was interested?

Answer. I have sold some horses to men here who have had contracts.

Question. To whom?

Answer. I have sold horses to Allen & Fox.

Question. State how many you sold to Allen?

Answer. Only one.

Question. At what price?

Answer. \$110.

Question. For artillery purposes?

Answer. Yes, sir.

Question. How many horses did you sell to Fox?

Answer. As near as I can recollect, I sold him 16 horses.

Question. Which Fox?

Answer. B. F. Fox, of Illinois.

Question. Did you sell them to him in this city?

Answer. Yes, sir.

Question. About what time?

Answer. About the middle of September, as nearly as I can recollect.

Question. Were they all inspected at one time?

Answer. No, sir. One day fifteen were inspected, and another was inspected the day previously.

Question. Who inspected them?

Answer. Mr. Skidmore.

Question. Had you been engaged in the inspection of any horses in this city?

Answer. Yes, sir.

Question. By whom had you been appointed?

Answer. By Major McKinstry, quartermaster, in this city?

Question. Were you employed as inspector before or after you sold horses to Fox?

Answer. After I sold them.

Question. Had you any connexion with the inspection of horses before that time?

Answer. No, sir.

Question. At whose request were you appointed inspector?

Answer. Two or three men proposed that I should be appointed.

Question. Who were they?

Answer. Neil and Allen.

Question. By anybody else?

Answer. Not that I recollect of.

Question. They were inspectors?

Answer. Not to my knowledge.

Question. Were they both selling horses to the government?

Answer. Allen was, and I believe Neil was.

Question. They requested McKinstry to appoint you?

Answer. I was at the quartermaster's office one morning and McKinstry sent Neil out to procure him three horse inspectors. Neil proposed me with three others.

Question. At whose instance had you gone up to the quartermaster's department that morning?

Answer. At my own instance. I was waiting to ascertain where the inspection was to be held that day.

Question. You went up with a view to have the appointment?

Answer. No, sir; I had no idea of being appointed an inspector.

Question. Had you had any horses then to sell?

Answer. No, sir.

Question. And were not interested in any contracts?

Answer. Not at all.

Question. Had Fox said anything about your being appointed an inspector?

Answer. I think he did speak to me that morning at the time the others did. I told him I did not want a situation. And, then, when Allen and Neil came to me and requested me to act as inspector I concluded to do so.

Question. Then the three gentlemen who applied to you to act as inspector were Neil, Allen, and Fox?

Answer. Yes, sir.

Question. They spoke to you before they saw McKinstry?

Answer. I do not know as to that. It was after McKinstry called for inspectors that they spoke to me.

Question. They spoke to you before you were sent for by Major McKinstry?

Answer. They spoke to me and brought me into his presence.

Question. Who mentioned your name to McKinstry?

Answer. I do not know whether it was Allen or Neil. One of them spoke, and said here was a man they could recommend.

Question. When were your horses inspected?

Answer. The day before.

Question. Are you certain your horses were inspected the day before?

Answer. They were, I think.

Question. By whom?

Answer. By Skidmore.

Question. Did you participate in their inspection?

Answer. No, sir; I did nothing but show horses there, which belonged to other men.

Question. At what price did you sell your horses?

Answer. For \$100 each, and one for \$110.

Question. What knowledge have you yourself, or what information have you, of any money being paid on that day, either before or immediately after the inspection, by Fox to Skidmore?

Answer. I have no knowledge of any such transaction from any source.

Question. After you were appointed inspector did Fox himself, either as compensation for your services or otherwise, pay you any sum of money?

Answer. I have never inspected any horses for him.

Question. Nor for Neil?

Answer. No, sir.

Question. Any for Allen?

Answer. No, sir; I inspected horses only one day, and then I inspected for Charley Ellard.

Question. Was Ellard present at the time of your appointment?

Answer. He was about the office that morning, but I do not know whether or not he was there when I was appointed. I was, at any rate, the inspector for him that day.

Question. On the day you acted as inspector, did any person pay you any sum of money, or pay you any afterwards, in connexion in any way, directly or indirectly, with the inspection which you made that day?

Answer. No, sir.

Question. Do you know a man by the name of Peterson?

Answer. I know a gentleman by that name.

Question. Is he engaged in the horse business?

Answer. I believe he is.

Question. Do you know of any one who has received any money for assisting at any inspection of horses?

Answer. No, sir.

Question. You sold those sixteen horses to Fox for \$1,600. What sum of money, in addition to that, did you receive from Fox?

Answer. None whatever. On the day those sixteen horses were inspected, a man by the name of Sample rode horses for Fox and helped brand them. He worked for Fox nearly all day, and when he got through I told Fox that that man had helped him all day, and that he ought to pay him something for his services. So Fox paid him five dollars.

Question. What was your object in telling Fox that; what interest had you in the matter?

Answer. Nothing more than that I wanted the man to be paid for his day's work.

Question. Why was you interested in his being paid?

Answer. He was a friend of mine, and I did not like to have him work for nothing.

Question. Was that the day your horses were inspected?

Answer. I think it was.

Question. Who had employed this man?

Answer. I do not know that any one did. He came in upon his own hook.

Question. Did he help lead up and brand your horses?

Answer. Yes, sir; he helped lead up and brand nearly all the horses which were received that day.

Question. Was he in your employment?

Answer. He was not directly.

Question. Whom did he seem to be acting for?

Answer. He appeared to be acting for Fox, the man who had the contract.

Question. If he was acting for Fox, why should you have made any suggestion about a man who was working for another man?

Answer. Because I thought he ought to be paid, and as he was a friend of mine I called Fox's attention to the fact that he had been working there all day.

Question. Is not five dollars more than is usually charged for a day's service.

Answer. It is rather more.

Question. You were present during the whole time these horses were being inspected?

Answer. Yes, sir.

Question. Had this man Sample been about the premises some time?

Answer. He had been about there ever since I came here.

Question. You did not bring him here with you?

Answer. No, sir. He was there when I first came to the city, and has been there nearly ever since.

Question. Did he seem to be acting in concert with the inspector?

Answer. I do not know but the inspector may have called upon him to examine horses, as he sometimes called upon persons there who were good judges.

Question. Did he frequently do it?

Answer. He might have done it half a dozen times.

Question. Did not this Sample actually inspect horses, and were not horses passed upon his inspection?

Answer. I do not know that they were. I know he was several times asked to look at horses, to look at their age, &c.

Question. Did he examine any of yours?

Answer. I cannot say. He may have done so.

Question. You do not think Skidmore would call upon a man in Fox's employment for his judgment in relation to the age of horses which Fox was selling?

Answer. I do not know. He has been about there some time, and has showed some stock there. He came here first with a man from New York.

Question. Then you say that Sample was not in your employment, and that he was acting either for the inspector or for Fox?

Answer. He was not in my employment. He was handling the horses there.

Question. Was there anybody he could have been acting for in handling horses, unless it was for Fox or Skidmore?

Answer. I do not know.

Question. Fox was around there all day was he not?

Answer. He was there a part of the day.

Question. He saw Sample there?

Answer. Yes, sir.

Question. Did you tell Fox this man had rendered valuable services?

Answer. I told him he had assisted him in handling stock.

Question. Did this man speak to you upon the subject?

Answer. No, sir.

Question. You did not speak to him to assist you?

Answer. No, sir.

Question. Then he must have been acting for the inspector or Fox, one or the other?

Answer. I supposed he was acting for Fox. He helped handle my horses as well as those of other parties.

Question. Did you hear him asked about the age of horses when Fox was present?

Answer. I do not know that Fox was by at the time, but he was about the premises.

Question. Fox saw him branding horses?

Answer. Yes, sir.

Question. That is a part of the inspection?

Answer. The inspector sees to the inspection. He generally hires a man to brand the stock, but he sees that it is done.

Question. Without being requested by Sample or Skidmore, you told Fox that Sample had rendered valuable services, and that he ought to be paid something?

Answer. I made the remark upon my own suggestion.

Question. And Fox paid him five dollars?

Answer. That is what I understood.

Question. Did Sample tell you so?

Answer. Yes, sir.

Question. How many of your horses did Sample examine in the presence of Skidmore?

Answer. He did not examine any in particular; he might have looked around at some of them, and he may have made some remarks to Skidmore, but I do not know that he did.

Question. Did you bring your horses from Illinois?

Answer. No, sir; I bought them here.

Question. What did you pay for them?

Answer. From 90 to 95 dollars apiece.

Question. Were they horses recently brought from the country?

Answer. Yes, sir.

Question. Did you buy them of parties residing in the city?

Answer. Of parties residing out of the city.

Question. You turned them in at \$100 a head, all round?

Answer. Yes, sir.

Question. Had you said, the next morning after your horses were inspected, to Neil, or Allen, or Fox, that you would be glad to be appointed one of the inspectors?

Answer. No, sir; not until I was spoken to about it.

Question. You never inspected horses or mules for any one of those two men?

Answer. No, sir; I might have inspected stock which they put in, but the stock I inspected was for other parties. My orders were to inspect for Ellard.

Question. You do not know, then, that you have inspected horses in which they, or either of them, were interested?

Answer. I do not.

Question. I suppose you bought those horses of yours for Fox?

Answer. No, sir; I bought them subject to inspection.

ST. LOUIS, *October 26, 1861.*

H. W. G. CLEMENTS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am chief clerk, under General McKinstry, in the western department.

Question. How long have you been in that position?

Answer. I have been in the department since March, 1851.

Question. Where have you been during that time and in what places?

Answer. I was in San Francisco; afterwards at Stockton; then in the field; then Fort Yuma, California; then in Washington; then in Florida; then in New York, and from New York here.

Question. With what quartermaster or quartermasters have you been?

Answer. No one except General McKinstry.

Question. How many years have you been with him?

Answer. Since March, 1851; nearly eleven years in the quartermaster's department.

Question. Have you in your possession the original contracts made with E. S. Beard, for the erection of the fortifications around St. Louis.

Answer. Yes, sir; the contract I present to the committee is the original and the only contract I know of.

The following is a copy of the contract:

“ This memorandum of agreement, made and entered into this twenty-fifth day of September, 1861, between Brigadier General Justice McKinstry, quartermaster United States army, acting by and under the special orders and direction of Major General John C. Frémont, United States army, commanding western department, of the first part, and E. L. Beard, of St. Louis, of the second part, witnesseth: That the party of the second part, for and in consideration of the amounts hereinafter named, hereby agrees to construct all the fortifications required by the engineer in charge of the works for the defence of the city of St. Louis, at the following rates, that is to say: for all excavations forty-five (45) cents per cubic yard; for all earth embankments, fifty-five (55) cents per cubic yard; for all puddled earth, ninety (90) cents per cubic yard; for sodding the fortifications, embankments, &c., one dollar and fifty (\$1 50) per yard; for paving walks and yards, floors of block-houses, &c., one dollar (\$1) per square yard, said pavement to be of the best quality of gravel pavement; for building all cisterns, tanks, &c., for holding water, twenty-five (25) cents per cubic gallon of two hundred and thirty-one inches, said cistern to be of the best quality, complete with arched bricks, crown and cement finish; for all the timber and lumber used in building the block-houses, magazines, and quarters of officers, soldiers, sewers, &c., and all labor used in constructing the same, (timber and lumber to be measured in the buildings, &c., of the same are completed,) one hundred dollars per thousand feet; for constructing all the facings, brushworks, &c., required on the work, one dollar per cubic foot; for roofing all the buildings, four dollars and fifty cents (\$4 50) per square of one hundred superficial feet, the same to be made of the best quality of three-ply gravel roofs. The party of the second part further agrees to perform all other work in connexion with said fortifications, and, where the price is not specified in this agreement, at the estimate of the engineer in charge of the works. The party of the second part binds himself to complete each and all of the fortifications surrounding the city, required by the engineer in charge to be constructed, within five (5) days from the time the same is laid out and specifications furnished.

“ The party of the first part hereby agrees to pay to the party of the second part, for the true and faithful performance of the foregoing contract, the rates herein specified, said payments are to be made on the receipt of the certificate of the engineer in charge, stating the

amount of work performed. And it is expressly stipulated that no member of Congress shall be admitted to any share or part in this contract, or any benefit to arise therefrom.

“Witness our hands and seals the day and year above written.

“J. McKINSTRY, [L. s.]

“*Brigadier General and Quartermaster.*

“E. L. BEARD. [L. s.]

“Sealed and delivered in presence of—

“R. F. WILLIAMS.

“H. W. G. CLEMENTS.

“A true copy.

“H. W. G. CLEMENTS.”

Question. State to the committee what knowledge you have of the circumstances under which this contract with Beard was made?

Answer. There was a paper brought to General McKinstry in which the prices for this work were larger than he thought they should be, and he altered the prices. That paper I have not got, though I tried to get it. It is in the hands of Beard, and he is out of town.

Question. Who brought that paper to McKinstry?

Answer. I think Mr. Beard did.

Question. It was a mere memorandum?

Answer. No, sir. It was a large paper, formally drawn up.

Question. What did General McKinstry do with it?

Answer. I recollect of hearing him say that the prices were more than should be paid, and he greatly reduced them.

Question. What were the prices contained in that paper?

Answer. I cannot say.

Question. What was done with it?

Answer. I asked the clerk to copy it, and he said it was in the hands of Beard?

Question. Proceed, if you please, with your relation of the circumstances under which this contract was given.

Answer. That is all the knowledge I have in regard to this contract.

Question. Where did you first see it?

Answer. I believe I witnessed it.

Question. By whom was the contract made?

Answer. General McKinstry made the contract, but it was sent, I presume, from headquarters for him to make.

Question. What is the ground of that presumption?

Answer. I know that General McKinstry knew nothing whatever about fortifications, and he was directed to make the contract.

Question. By whom directed?

Answer. I presume by General Frémont.

Question. Who drew up the contract?

Answer. I cannot say.

Question. Who is the proper party to draw up contracts of that kind?

Answer. The quartermaster of the department.

Question. Why was not the ordinary course pursued in this instance?

Answer. I cannot say.

Question. From your experience in the quartermaster's department, what would have been the ordinary course to pursue in entering into a contract of that importance?

Answer. The ordinary course would have been for the quartermaster to have made it. He should make all contracts.

Question. What should have been the form of it? Should any security be given?

Answer. Sometimes security is required. In large and heavy contracts security is always required.

Question. Where security is not required, what is the ordinary practice about retaining a percentage of the payments until the contract is fulfilled?

Answer. I never have had a case of that kind come under my observation, and therefore I cannot say.

Question. What was said at the time the contract was being made at the quartermaster's office?

Answer. Nothing that I know of. I was not present, and had nothing to do with it, except hearing that remark I have mentioned, and witnessing the contract.

Question. Do you know anything in relation to the payments made upon it?

Answer. I do not know that any money has been paid upon it.

Question. If any payments had been made would not you have known it?

Answer. No, sir; my duties have been such that I should probably not have known it.

Question. What were your particular duties?

Answer. The equipment of these volunteers; giving the necessary orders for their equipment, and the general supervision of the business of the office. But as to payments, I do not know when they were made, nor how much was paid.

Question. Do you know anything about the contracts for forage made in the quartermaster's department?

Answer. Yes, sir; they were made by Captain Turnley.

Question. You have no personal knowledge of them?

Answer. I have. I know that a contract was made—a heavy contract—just about the time McKinsty was relieved. All the bids were turned over to Captain Turnley.

Question. During your experience in the quartermaster's department, have you known any contracts made for the erection of fortifications and earthworks like these?

Answer. Never before. None like it have come under my observation.

Question. Do you know what would be a fair price per cubic yard for such work?

Answer. I do not.

Question. Before an advertisement was issued for proposals to furnish forage, was the quartermaster's department buying hay?

Answer. Yes, sir.

Question. In what quantities, and at what prices?

Answer. A very heavy requisition came in to have forage sent to Jefferson City, and also to Rolla. Upon the receipt of that requisition an order was given to Mr. Beard for 20,000 bushels of oats and corn. The hay they were directed to get at Jefferson City and Rolla, if it could be purchased there.

Question. Who was this Beard?

Answer. I really do not know anything more of him than his name.

Question. By whose order was the requisition given to this Beard?

Answer. By order of General McKinstry.

Question. Was Beard a resident of St. Louis, and a man dealing in those articles?

Answer. I do not know. I never saw him but once, and that was three or four days ago.

Question. Will you state with whom this large contract you first spoke of was made?

Answer. I suppose you refer to the one made in pursuance of an advertisement of General Meigs. I cannot tell the name. It was made by Captain Turnley.

Question. Would not the contract itself be on file?

Answer. It should be.

Question. Was not the contract awarded by General McKinstry himself?

Answer. No, sir. The papers were turned over to Captain Turnley, and he awarded the contract.

Question. What contract, now in existence, for furnishing hay, was made by General McKinstry?

Answer. None that I know of.

Question. Is there more than one contract in existence for the delivery of hay in this portion of the country—say St. Louis and Cairo?

Answer. Not to my knowledge. I know of no contract whatever for supplying Cairo. The contract to which you have referred was confined to this point—St. Louis and vicinity.

Question. Hay is being delivered at Jefferson City, then, under a different contract, if any?

Answer. There was no contract made, but they were directed to purchase there.

Question. There has been hay sent up there from here?

Answer. Yes, sir.

Question. Under what contract was it delivered?

Answer. It was sent up there under one of those urgent orders which were sent here.

Question. How recently have hay and oats been sent from here to Jefferson City?

Answer. I do not recollect how long since hay was sent there, but grain has been sent within the last month.

Question. If there is a contract for the delivery of hay in Cairo, that contract was not made in your department?

Answer. No, sir.

Question. But would be made through the assistant quartermaster of subsistence at that point?

Answer. There is no such officer as that. There is an office of commissary of subsistence, but the commissary does not buy hay except for his own cattle which he has on hand.

Question. State how it happened that an advertisement for proposals for hay were published by General Meigs.

Answer. I cannot tell. He was here at the time.

Question. And how did it happen that the contract itself was made not by General McKinstry but by Captain Turnley?

Answer. From the fact that General McKinstry was relieved from his duties in the quartermaster's department and was ordered into the field. He was just on the eve of departure.

Question. Do you know anything about the contracts, or if there were no contracts, about the arrangements by which the railroads terminating in this city—within the limits of the State of Missouri, of course—are being connected?

Answer. No, sir; I did not know anything about it until it was done.

Question. There is one connexion being now made, is there not?

Answer. I believe there is.

Question. What roads does it connect?

Answer. The connexion to which I refer is the one connecting Benton barracks with the street railways of the city. During the winter season the roads out there are very heavy, and a team could not haul more than eight hundred pounds, and this connexion is being made for the purpose of facilitating transportation.

Question. Under whose authority is that work being made?

Answer. I cannot say.

Question. Would it not properly come under the control of the quartermaster's department?

Answer. I should think so.

Question. Under what kind of contracts are the railroad connexions being made—for instance, the contracts by which the Iron Mountain and the Pacific railroads are being connected or have been connected?

Answer. I have no knowledge whatever of that matter.

Question. You were aware of the fact that all the railroads terminating in the city are being connected by railroads running through the streets of the city?

Answer. I only know it from hearsay. I know that the Pacific and the Iron Mountain roads are connected, and I have heard of a connexion between the Pacific and the North Missouri road.

Question. If those roads have been connected, under what contracts has it been done, and by whom were those contracts made?

Answer. I cannot say.

Question. Would not those contracts properly belong to the quartermaster's department?

Answer. I think they would.

Question. If contracts for building those railroad connexions had been made in General McKinstry's department you would know the fact?

Answer. I would.

Question. Therefore you are able to say that no such contracts have been made by the quartermaster's department.

Answer. To the best of my knowledge and belief, no such contracts have been made and passed through our office.

Question. Is there at this time a subsisting contract between your department and Haskell for the purchase of horses and mules?

Answer. I have never seen any such contract.

Question. Under what authority, or by what arrangement, are horses and mules being furnished to the government by Haskell, if they are being furnished?

Answer. I cannot say.

Question. If the quartermaster's department in this city had any contract with him, that contract would be within your knowledge?

Answer. Yes, sir.

Question. Has not Haskell, for weeks past, been furnishing horses and mules to the government?

Answer. I have not been paying any attention to the duties of the office since General McKinstry left, and therefore I do not know.

Question. Was there not such a contract in existence while McKinstry was still acting as quartermaster?

Answer. I have never seen any such contract, though I have understood there was one.

Question. With whom did you understand the contract was made?

Answer. I am not aware that there was any contract; and if there was, I have no knowledge of it.

Question. Were not the accounts of Haskell, for the purchase of horses and mules, presented to the department prior to General McKinstry being superseded by Major Allen, and were not vouchers or requisitions made to him based upon the accounts so furnished?

Answer. I think there are some such accounts in our office, but I am not certain.

Question. Would not those transactions be based upon some contract with Haskell?

Answer. I should think they ought to be.

Question. How many contracts for the furnishing of horses and mules were entered into between any person or persons and the quartermaster's department?

Answer. I think there were only two regular contracts made for the purchase of horses and mules—one under the direction of General Frémont and the other in pursuance of an advertisement.

Question. With whom was the contract made which was made by direction of General Frémont?

Answer. I think it was with a man by the name of Joseph Skrainka.

Question. Have you that contract?

Answer. Yes, sir; here is the contract and the bond:

“This agreement, made and entered into at St. Louis, Missouri, on the fourteenth day of August, one thousand eight hundred and sixty-one, between Major J. McKinstry, quartermaster United States army, for and in behalf of the United States, of the first part, and Joseph Skrainka and Frederick Busch, of the city of St. Louis, Missouri, of the second part, witnesseth: That the parties of the second part agree to furnish the party of the first part two hundred (200) cavalry horses, at St. Louis, Missouri; the horses to be guaranteed as sound and free from all defects whatever, and to be at least fifteen and one-half ($15\frac{1}{2}$) hands high, not more than eight nor less than four years old.

“And the party of the first part, for and in behalf of the United States, agrees to pay, or cause to be paid, to the parties of the second part, at the quartermaster's office, St. Louis, Missouri, at the rate of one hundred and eighteen dollars (\$118) for each horse which shall be accepted as agreeing with the terms of this contract; and it is further agreed by the parties of the second part that the horses, to the number named in this contract, shall be delivered within ten business days from the date of this contract, and that they shall enter into good and sufficient sureties for the faithful performance of the stipulations before mentioned.

“It is expressly agreed that no member of Congress shall have any share or part in, or derive any benefit arising from this contract.

“(Signed in quadruplicate.)

“J. MCKINSTRY, [L. s.]
“*Quartermaster.*

“Witness our hands and seals the day and year before written.

“JOSEPH SKRAINKA. [L. s.]
“FREDERICK BUSCH. [L. s.]

“Witnesses:

“H. W. G. CLEMENTS.
“E. W. FOX.

“A true copy.

“H. W. G. CLEMENTS,
“*Chief Clerk.*”

“Know all men by these presents that Mr. Joseph Skrainka and Frederick Busch, of the city of St. Louis, State of Missouri, as principals, and William Skrainka and David Beattie, of the same place, as securities, are firmly held and bound unto the United States in the sum of twenty-five thousand dollars, good and lawful money, to be paid the United States, and for the full payment of which said twenty-five thousand dollars we bind ourselves, our heirs, administrators, and assigns. In witness whereof we have herewith set our hands and seals this 14th day of August, 1861.

“The condition of the obligation and bond is, that whereas the said Joseph Skrainka and Frederick Busch have contracted with Major J. McKinstry, for and in behalf of the United States, to furnish, at St. Louis, Missouri, two hundred cavalry horses, at the rate

of one hundred and eighteen dollars each, in accordance with written contract of date of 14th August, 1861: Now, if said contract be well and truly performed and fulfilled, then this bond and obligation will be void and of no force; otherwise in full effect.

“WILLIAM SKRAINKA.

“DAVID BEATTIE.

“Witness for Wm. Skrainka's signature—

“J. BISCHOFF.

“Witness for David Beattie's signature—

“SAMPSON S. ROSENTHAL.”

Question. With whom was the other contract for furnishing horses and mules made—the one made by General McKinstry?

Answer. With John H. Bowen and Asa S. Jones.

Question. Was the first of these contracts to which you refer made on proposals made in conformity to advertisement?

Answer. No, sir; it was not made on order of General Frémont, but it was made on an order, if I mistake not, made when General McClellan was in command of this department, and equipped so many artillery and cavalry companies. That order was telegraphed to the quartermaster general, and by him it was directed to be made.

Question. By whom was the contract made for furnishing the articles?

Answer. That order was telegraphed to the quartermaster general to know what to do with it. The order came back to purchase them, and they were purchased on proposals made.

Question. But that is the contract entered into by Jones & Bowen.

Answer. Yes, sir.

Question. I refer to the order made by order of General Frémont with Skrainka. Was that contract made upon advertisement for proposals?

Answer. No, sir.

Question. Was it made directly with General Frémont, or by his directions?

Answer. Upon his order.

Question. Were the contracts for furnishing supplies—such as were made—generally made by General McKinstry himself, acting on his own authority as quartermaster, or upon the order of General Frémont?

Answer. They were furnished by order of General Frémont. The requisitions would come into the office indorsed by the assistant adjutant general, directing that the supplies should be furnished, and they were furnished upon that order.

Question. Generally with or without contract?

Answer. Generally without. They were generally in a hurry for the equipments for these volunteers, and there was no time for advertising for proposals.

Question. Have the greater portion of the supplies furnished through the quartermaster's department in this city for the government been furnished upon contracts; or, without reference to any particular

contracts, have they been furnished upon orders made directly upon the parties who furnished them?

Answer. They have been ordered without any reference to any contracts whatever. The exigencies of the service were such that there was not time to make contracts.

Question. Have they generally been ordered without reference to any particular price?

Answer. We generally knew the market pretty well, and the bills were all examined, so that there were no exorbitant charges made.

Question. The prices were not agreed upon in advance of delivery?

Answer. No, sir.

Question. Did the house of Child, Pratt & Fox, of this city, furnish a large amount of supplies of various kinds?

Answer. Yes, sir.

Question. Were those articles generally furnished, or any portion of them furnished, under contract, or were they furnished without reference to contract?

Answer. They have, as I understand, never varied from their prices of hardware from the time when General McKinstry first came here, when they made proposals for furnishing a large amount of supplies for New Mexico. At that time proposals were made by all the leading hardware men here, and they made the lowest bid of all; and they have not, so far as I know, varied since from the prices contained in those proposals, so far as hardware was concerned.

Question. Were they furnishing articles for the use of the government before General Frémont came to this department?

Answer. Yes, sir; this was eighteen months ago.

Question. You have spoken of hardware furnished by them. I wish to know whether the articles furnished by them since General McKinstry became the quartermaster in this city were furnished under contract or without reference to contract?

Answer. Without any reference to contract.

Question. They are engaged in the hardware business. What proportion of the supplies furnished by them were furnished outside of their regular business?

Answer. They furnished many blankets, camp kettles, &c.

Question. Were one-fourth of the articles furnished by them within the scope of their business as hardware dealers?

Answer. I should say that more than three-fourths of them were, according to the best of my recollection.

Question. And therefore the articles supplied outside of their business would not exceed one-fourth of the whole supplies?

Answer. Well, they might exceed that. I cannot tell exactly.

Question. Was the price of the articles they furnished outside of their regular business agreed upon before they furnished them.

Answer. Not to my knowledge.

Question. By whom was the price of those various articles ultimately fixed.

Answer. I cannot tell; I do not know.

Question. Was it fixed by General McKinstry himself, to your knowledge?

Answer. No, sir ; not to my knowledge.

Question. Was it fixed by his chief clerk ?

Answer. Not to my knowledge.

Question. Did Child, Pratt & Fox simply make out their accounts against the government from time to time, present them to the department, and receive certificates for the amount ?

Answer. I do not believe they have received all their certificates yet.

Question. To the extent to which they have received them ?

Answer. Yes, sir ; they are made out in that way.

Question. Did you ever hear of any arrangement being entered into, or of any conversation had between that firm, or any member of it, and any person in the quartermaster's office, in reference to the price at which those various articles should be furnished, or the prices at which they had been furnished.

Answer. Not to my knowledge.

Question. Did the supplies furnished by that firm, or by any member of it, embrace horses and mules and forage of any kind.

Answer. I think not.

Question. Do you state that no member of that firm furnished any horses ?

Answer. None, to my knowledge.

Question. Could they have done it without your knowledge ?

Answer. They might have done it ; but I generally gave the orders to that firm under direction of General McKinstry, and I do not recollect of any member of the firm being engaged in anything of that kind. I know that B. F. Fox, a brother of E. W. Fox, of that firm, had an order for a number of mules.

Question. What proportion of all the horses and mules, furnished to the government through the quartermaster's department here, were furnished under those two contracts to which you have already referred ?

Answer. I have no means of knowing without reference to the papers in the office. The contract made by order of General Frémont embraced only 200 horses.

Question. And the contract of Jones & Bowen embraced how many horses and how many mules ?

Answer. The contract calls for 176 cavalry horses, 140 artillery horses, and 425 mules.

Question. Are those the only regular contracts ever made by your department for furnishing horses and mules ?

Answer. They are the only two I have on file, or that I know anything about ?

Question. Now, what proportion of all the horses and mules which have been furnished the government through your department were furnished under those contracts ?

Answer. I cannot say. I presume the number the contracts called for were furnished, and probably no more. I know of nothing to the contrary.

Question. And all other horses and mules delivered through your department were delivered outside of contracts ?

Answer. Yes, sir. Requisitions would come in from various regiments for horses required for immediate service, and they would have to be bought, as has been done for a few days past in purchasing mules for General Frémont's army.

Question. You say you generally issued orders for purchasing those animals?

Answer. Yes, sir.

Question. State when any such order or orders were issued to Leonidas Haskell, and the nature of the orders given to him?

Answer. I do not recollect of any orders being given to Haskell.

Question. Has he not been furnishing a large number of horses and mules for the government?

Answer. I do not know that he has furnished any horses. He has furnished mules.

Question. What was the nature of the contract entered into with Haskell, if any, for furnishing mules?

Answer. I do not know that there was any contract.

Question. What was the character of the order for furnishing them?

Answer. I do not know.

Question. Is he furnishing any horses or mules to the government at this time?

Answer. Not to my personal knowledge.

Question. Was he doing so up to the time that McKinstry ceased to act as quartermaster in this city?

Answer. I think he was delivering mules.

Question. But you do not know under what contract or arrangement?

Answer. I do not.

Question. Where was Haskell from?

Answer. I do not know.

Question. What position, if any, does he now hold, or did he hold at the time those mules were being furnished?

Answer. I understood that at the time he commenced furnishing those mules he held no position whatever; but afterwards he was appointed, I think, a captain in General Frémont's staff, or director of police.

Question. After that appointment did he continue to furnish mules to the government?

Answer. I do not know when his appointment was made.

Question. Have you any means of ascertaining that fact?

Answer. I can ascertain by referring to headquarters.

Question. Has it been the policy of the quartermaster's department to deal with persons holding military commissions for furnishing supplies.

Answer. It has not.

Question. If Haskell, after he became attached to General Frémont's staff, furnished mules to the government at this point, it was contrary to the policy of your department?

Answer. The acceptance of such a commission would be an estoppel on any such operation, I suppose. This contract or order, or whatever authority he has, was given to him previous to his appointment, but whether his appointment would invalidate it I cannot say. But

I do not know that he had such an order or contract. It is merely a presumption of mine, because I do not think that otherwise he would have been furnishing stock.

Question. Would not such a state of things be utterly inconsistent with the public interest?

Answer. I should think it would. I think it would be in violation of both law and an army regulation. I know it is against a positive army regulation.

Question. Is there a gentleman by the name of I. C. Woods connected with General Frémont's staff?

Answer. Yes, sir; I. C. Woods, colonel and director of transportation.

Question. Have you any knowledge of his connexion with Haskell or with any other person in furnishing supplies to the government at any time?

Answer. I have not.

Question. In what manner, during the time that General McKinstry was acting as quartermaster, or since that time, have supplies, such as clothing, overcoats, and the like, been furnished; and what contracts were made with your department with any person or persons for furnishing such supplies?

Answer. At the commencement of these difficulties, and soon after General Frémont came here, he directed General McKinstry to have prepared clothing for 17 or 27 regiments—I do not recollect which—and General McKinstry telegraphed to Washington to know what proportion of that clothing could be sent from the clothing depots at the east. A reply was received stating that they could not furnish him. He was then directed, if my knowledge is correct, to have clothing made here. And that was the cause of the opening of these clothing manufacturing establishments. There was also a contract, or rather order, given to John How to furnish certain specified articles of clothing for the army. The prices at which he was to furnish them was not stated in the order; but he was to furnish the original bills of purchase, and he was to be allowed a fair mercantile profit on them.

Question. About what time was that order issued?

Answer. I cannot tell without reference to the papers.

Question. What subsequent arrangement of the same kind was made with other parties?

Answer. There was an order also given to a house in Boston—the name of which I do not recollect.

Question. Was it Hallowell?

Answer. I think that is the name.

Question. In either of those orders was the quantity to be furnished limited?

Answer. It was stated.

Question. What subsequent order of the same kind was issued to persons temporarily in this city, and within the last two months?

Answer. I cannot answer the question without reference to the order book.

Question. Will you furnish the committee with copies of all such orders?

Answer. I will.

(The witness subsequently furnished the committee with orders, of which the following are copies :

Mr. B. D. Godfrey, Guilford, Massachusetts, will furnish quartermaster's department with the following articles, viz :

20,000 pairs army shoes.

5,000 pairs cavalry boots.

It is understood that the boots and shoes shall be made of the best oak-tanned leather, and shall be delivered at the rate of one thousand (1,000) pairs per week to the officer in charge of the clothing department in St. Louis.

The price to be paid will be the same as is paid by the United States clothing department in New York at the time of delivery, with the addition of transportation. These goods must conform in all respects to the samples which will be furnished by the clothing department in New York.

J. McKINSTRY,
Acting Quartermaster General.
H. W. G. CLEMENTS,
Chief Clerk.

A true copy :

H. W. G. CLEMENTS, *Chief Clerk.*

HEADQUARTERS QUARTERMASTER'S DEPARTMENT,
St. Louis, September 2, 1861.

Mr. E. W. Fox will furnish quartermaster's department thirty thousand army overcoats, to be made of the best army material, and conform to army regulations and requirements. The exact cost of material, manufacture, and transportation to be furnished to this department, upon which the quartermaster will allow a fair mercantile profit to the contractor, E. W. Fox.

J. McKINSTRY,
Major and Quartermaster.

A true copy :

H. W. G. CLEMENTS, *Chief Clerk.*

HEADQUARTERS QUARTERMASTER'S DEPARTMENT,
St. Louis, September 2, 1861.

Messrs. Livingston, Bell & Co. will furnish quartermaster's department—

5,000 pairs cavalry boots.

5,000 suits infantry uniforms.

5,000 canteens.

10,000 infantry hats.

10,000 army shoes.

10,000 army overcoats.

5,000 knapsacks.
 10,000 pairs socks.
 10,000 undershirts, (army pattern.)

All to be made of the best army material, and conform to army regulations and requirements. The cost of manufacture, material, and transportation to be furnished to this department, upon which the quartermaster will allow a fair mercantile profit to the contractors, Messrs. L., B. & Co.

J. McKINSTRY,
Major and Quartermaster.

A true copy :

H. W. G. CLEMENTS, *Chief Clerk.*

CHIEF QUARTERMASTER'S OFFICE,
St. Louis, Missouri, September 6, 1861.

Mr. John How will furnish quartermaster's department—

10,000 infantry overcoats.
 25,000 pairs army sewed shoes, at \$2 25 per pair.
 5,000 uniform coats, (to include sergeants', corporals', and musicians' coats.)
 10,000 trousers, (to include sergeants', corporals', and musicians' trousers)
 15,000 drawers.
 15,000 flannel shirts.
 20,000 pairs stockings.
 5,000 blankets.
 5,000 haversacks.
 5,000 canteens, corks, and straps.
 5,000 knapsacks and straps.
 50 sergeants' sashes.
 5,000 fatigue overalls.
 5,000 infantry hats, (trimmed)
 5,000 blue flannel sack coats, on the terms as follows, viz :

A list of the cost of each article to be furnished, on which a reasonable mercantile profit will be allowed. The party to consult with the quartermaster's department in New York in regard to samples of articles required.

J. McKINSTRY,
Brig. Gen., Acting Quartermaster General.

A true copy :

H. W. G. CLEMENTS, *Chief Clerk.*

ST. LOUIS, *Missouri, September 23, 1861.*

Messrs. Livingston, Bell & Co. will please furnish quartermaster's department—

5,000 infantry coats, (uniform,) dark blue.
 5,000 infantry pants, (uniform,) light blue.
 5,000 hats, (trimmed.)

5,000 flannel shirts.
5,000 army blankets.
5,000 pairs army socks.

The prices of the articles to be their price delivered at St. Louis, with transportation added, and a fair mercantile profit on the same.

J. McKINSTRY,
Brigadier General and Quartermaster.

A true copy:

H. W. G. CLEMENTS, *Chief Clerk.*

ST. LOUIS, *Missouri*, September 23, 1861.

Mr. Richard P. Hallowell, Boston, Massachusetts, will please furnish quartermaster's department with the following articles:

30,000 pairs (all wool) army socks, at $27\frac{1}{2}$ cents.
15,000 (30,000*) pairs (all wool) flannel shirts, at \$1 50.
10,000 (20,000*) army drawers, at 75 cents.
5,000 pairs army shoes, at \$1 40.

The original bills for the above must be presented, to which the cost of transportation and a fair mercantile profit will be added.

J. McKINSTRY,
Brigadier General and Quartermaster.

A true copy:

H. W. G. CLEMENTS, *Chief Clerk.*

SEPTEMBER 23, 1861.

Mr. James S. Lamb will please furnish quartermaster's department with the following articles; prices for the same subject to the decision of the proper authorities at Washington:

5,000 infantry coats, (uniform.)
5,000 infantry pants, (uniform.)
5,000 hats, infantry, (trimmed.)
5,000 flannel shirts.
5,000 army blankets.
5,000 pairs army socks.

J. McKINSTRY,
Brigadier General and Quartermaster.

A true copy:

H. W. G. CLEMENTS, *Chief Clerk.*

* Alteration made by order from headquarters, September 26, 1861.

ST. LOUIS, *Missouri, August 25, 1861.*

Mr. John How will please furnish quartermaster's department 25,000 pairs sewed army shoes, at \$2 25 per pair.

J. McKINSTRY.

Major and Quartermaster.

H. W. G. CLEMENTS,

Chief Clerk.

A true copy :

H. W. G. CLEMENTS, *Chief Clerk.*)

Question. Do you know whether any persons not named in those orders were interested in their fulfilment, either at the time they were issued or at any subsequent time?

Answer. I know of but one case of that kind—one in which Selover was interested.

Question. To whom was the order issued in which he was interested?

Answer. I think he was interested in the order issued to Child, Pratt & Fox, or rather to E. W. Fox.

Question. At the time the order was issued or subsequently?

Answer. I cannot say. I know nothing about it except from hearsay.

Question. What was understood at the quartermaster's department to be a fair mercantile profit, based upon the original cost and the cost of transportation?

Answer. That was to be determined, I presume, afterwards by merchants, or by those who were dealers in the articles.

Question. What has since been determined to be a fair mercantile profit?

Answer. I do not know. Some of the goods have not yet arrived. None of them had arrived up to the departure of General McKinstry, except some shoes which were furnished by How at a stated price.

Question. Is it your recollection that no clothing had been furnished under an open order of that kind while McKinstry was acting as quartermaster?

Answer. There was some. Orders were given to R. Keeler & Co.

Question. For what?

Answer. For clothing. An order was also given to Child, Pratt & Fox for blankets, &c.

Question. So those articles were furnished while McKinstry was acting as quartermaster?

Answer. Yes, sir.

Question. What was the fair mercantile profits upon those articles?

Answer. They were furnished upon open orders. In some orders the price was stated, and in some it was not.

Question. Was the price stated in the two orders you have referred to to Child, Pratt & Fox, and to Keeler?

Answer. In some instances the prices were named, and in others not.

Question. Was the price named for which those blankets were to be furnished?

Answer. I cannot say.

Question. Was the quantity furnished large?

Answer. It was.

Question. By what mode was the price of those blankets adjusted?

Answer. At the time they were furnishing blankets we had to send all around town to get blankets to fill urgent requisitions upon the order of General Frémont, and we had to pay five dollars a pair for some, and seven dollars a pair for others. But the proportion of those high-priced blankets was small.

Question. My question refers to the blankets furnished by Child, Pratt & Fox.

Answer. I think their price was \$6 a pair.

Question. They were part of a large lot of goods which they purchased from the east and shipped on here, were they not?

Answer. Yes, sir.

Question. They understood that the property which they purchased, and which was outside of their line of business, were such articles as would be received by your department. Were they not induced to go into business largely outside of their own business?

Answer. They had no information from our office to justify them in doing so, that I am aware of.

Question. Did they do this upon an uncertainty as to whether those articles would be needed by the government, or did they do it with an understanding?

Answer. They did not do it with any understanding. I believe, however, they did it because they believed the goods would be wanted.

Question. And they were wanted?

Answer. Yes, sir.

Question. Do you know anything of a Mr. Palmer being connected with furnishing supplies to the government; and if so, what was the character of the supplies furnished by him, either upon orders or otherwise?

Answer. I think Mr. Palmer was connected with Mr. Beard. I do not know anything at all of Palmer's transactions.

Question. Interested with Beard in the building of these fortifications?

Answer. Not that I know of.

Question. Had Beard any contract except for building these fortifications?

Answer. I think I mentioned the matter of furnishing 20,000 bushels of corn and oats.

Question. At what price was he to deliver them?

Answer. At the market price. He was to deliver the forage wherever we required it.

Question. Do you know that Palmer had no connexion with Beard in the building of these fortifications?

Answer. I do not know whether he had or not.

Question. Do you know what parties were interested with him?

Answer. I do not.

Question. Who have you heard were interested in the fulfilment of that contract?

Answer. I have never heard it mentioned.

Question. Was that contract made upon proposals made pursuant to advertisement, or without proposals?

Answer. I really do not know.

Question. If made upon proposals, would you not have known the fact?

Answer. I think I should.

Question. But you do not know that it was?

Answer. I never knew that there was any contract until that paper which I witnessed was signed in September. I knew the fortifications were being built, but I did not know by whom?

Question. Who are the parties named in that instrument?

Answer. Beard is the only one. I think the contract states that it was made under the direction of General Frémont.

Question. Was the work going on previous to the signature of the contract?

Answer. I presume so.

Question. When did you first become aware of the existence of that contract?

Answer. About the time I was called to witness the signature to it.

Question. At that time were the works in progress?

Answer. I should think so.

Questions. When did you first see the contract between General McKinstry and E. L. Beard for the construction of the fortifications?

Answer. I presume about the date of the contract.

Question. What is that date?

Answer. The 25th of September, 1861.

Question. Are you yourself a witness of the execution of the instrument on that day?

Answer. I am.

Question. Still you state that you know that the work of erecting those fortifications were in progress before that day?

Answer. Yes, sir; I should think about two months before.

Question. Do you know upon what kind of order or contract Beard had been proceeding up to the time when the contract was executed?

Answer. I do not.

Question. Do you know J. S. Pease?

Answer. Yes, sir.

Question. What relation has he occupied to the business department of the quartermaster's department in this city since the breaking out of this war.

Answer. He has purchased a great many supplies, and during the last four or five months he has done the storage and drayage of the department, at the rates allowed by the city ordinance.

Question. Can you tell what those rates are?

Answer. I cannot.

Question. What was the kind of supplies he was authorized to furnish, and in what manner was he authorized to furnish them?

Answer. He furnished them upon open orders. Requisitions would come in from the posts upon the western frontier and other places for a large number of items—some small and some large—which it was

impossible for any one of us to go out and purchase, and Pease was ordered to purchase them.

Question. In what manner was he to receive compensation for his services?

Answer. I have understood that all he charged for his services was a small commission. That commission was put into the accounts, I suppose. But I know at the time exchange was so high here, I understood him to say he made no charge except the difference in exchange between gold and currency.

Question. What was that difference?

Answer. Between two and six per cent. at that time; but it has been as high as fifteen per cent.

Question. During the time that McKinstry was acting as quartermaster here what was the fair average of exchange between gold and currency?

Answer. I should say from four and a half to five per cent.

Question. And the commission to Pease upon those purchases would be about that difference?

Answer. I should judge so.

Question. Do you know whether those commissions were charged against the government or against the seller?

Answer. I do not know.

Question. Do you know whether the commission was paid to him independently of the transaction itself, or was it embodied in the accounts furnished to the government?

Answer. I cannot say; I presume it was embodied in the accounts.

Question. Do you mean that if he bought articles which amounted to \$1,000 he would obtain accounts made out against the government by the seller embracing that \$1,000 and this additional four and a half or five per cent?

Answer. I do not so understand it.

Question. If Pease had bought for the government 10,000 gunnybags, at, say, 12 cents apiece, amounting to \$1,200, would it be, according to the manner in which you understood he was receiving his compensation from the government, that he should receive a bill and receipt from the party selling to the government for \$1,300, or any other sum?

Answer. It would not. I presumed that Pease, in purchasing those articles, for instance, would purchase them at a stated price and pay for them in Missouri money, and thereby make a profit out of the difference of exchange. That is the way I understood the matter.

Question. If his profit was made by paying in Missouri money and receiving from your department gold or its equivalent, then his profit was not made by increasing the price of the articles which he purchased?

Answer. Of course not. I understood that all the profits he made at the time I spoke of was the difference between Missouri money and gold.

Question. Can you tell us of any officer connected with your de-

partment who can explain to us the manner in which he received his compensation?

Answer. I presume Mr. Hahn, the cashier, can tell you.

Question. Was Pease largely employed in and about purchases?

Answer. He was, but to what extent I cannot say.

Question. Was he regarded by McKinstry and yourself simply as the agent of the quartermaster's department in making those purchases?

Answer. He was an agent for that purpose.

Question. You did not regard him as an agent and at the same time selling to the government?

Answer. He purchased for the government. The orders were given and he filled them.

Question. Have you made out, as requested by the committee, an abstract of the number of horses and mules purchased by the government at this point, by whom purchased, &c?

Answer. I have. Here it is:

Abstract of horses and mules purchased by the quartermaster's department, under the direction of Major J. McKinstry, quartermaster, during the period from May 1 to September 30, 1861.

Date.	Of whom purchased.	Artillery horses, first class.		Artillery horses.		Cavalry horses.		Mules		Remarks.
May 20	A. Phillips.....	{	4							Major N. W. Brown and Colonel Andrews, pay department, inspected the horses during a portion of May, and the following named persons inspected the balance of horses and mules : Jno Keller, J. P. Saxton, L. B. DuBois, W. S. Abrams, J. W. Skidmore, T. M. Blakely, H. Page, C. H. Waite, J. P. Romans. The animals have been transferred to regiments, quartermasters, and others. Captain Jno. Bradshaw, assistant quartermaster, received all that remained on hand at the time he took charge of the land transportation department. I do not know if any remain in his possession at this time.
		{	2	.....	.....	.....	.....	.....	.....	
		{	5	.....	.....	.....	.....	.....	.....	
		{	2	.....	.....	.....	.....	.....	.....	
		{	2	.....	.....	.....	.....	.....	.....	
21	C. M. Elleard.....	{	1							Jno Keller, J. P. Saxton, L. B. DuBois, W. S. Abrams, J. W. Skidmore, T. M. Blakely, H. Page, C. H. Waite, J. P. Romans. The animals have been transferred to regiments, quartermasters, and others. Captain Jno. Bradshaw, assistant quartermaster, received all that remained on hand at the time he took charge of the land transportation department. I do not know if any remain in his possession at this time.
		{	2							
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		{	2							
23	C. M. Elleard.....	{	2							Jno Keller, J. P. Saxton, L. B. DuBois, W. S. Abrams, J. W. Skidmore, T. M. Blakely, H. Page, C. H. Waite, J. P. Romans. The animals have been transferred to regiments, quartermasters, and others. Captain Jno. Bradshaw, assistant quartermaster, received all that remained on hand at the time he took charge of the land transportation department. I do not know if any remain in his possession at this time.
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27	A. Phillips.....	{	1							Jno Keller, J. P. Saxton, L. B. DuBois, W. S. Abrams, J. W. Skidmore, T. M. Blakely, H. Page, C. H. Waite, J. P. Romans. The animals have been transferred to regiments, quartermasters, and others. Captain Jno. Bradshaw, assistant quartermaster, received all that remained on hand at the time he took charge of the land transportation department. I do not know if any remain in his possession at this time.
		{	1							
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		{	7							
		{	2							
		{	5							Jno Keller, J. P. Saxton, L. B. DuBois, W. S. Abrams, J. W. Skidmore, T. M. Blakely, H. Page, C. H. Waite, J. P. Romans. The animals have been transferred to regiments, quartermasters, and others. Captain Jno. Bradshaw, assistant quartermaster, received all that remained on hand at the time he took charge of the land transportation department. I do not know if any remain in his possession at this time.
		{	2							
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		{	3							
		{	3							

Respectfully submitted.

H. W. G. CLEMENTS,

Chief Clerk.

QUARTERMASTER'S OFFICE,

St. Louis, Mo., Oct. 19, 1861.

[illegible]

ABSTRACT—Continued.

Date.	Of whom purchased.	Artillery horses, first class.	Artillery horses.	Cavalry horses.	Mules.	Remarks.
Aug. 23	Chas. M. Elleard.....	.....	.....	66 \$119 00	.....	.....
23	Wm. A. Hall.....	.....	.....	.....	17 \$119 00	.....
24	Thomson & Wheeler.....	2 \$150 00	.....	172 119 00	.....	.....
24	Chas. M. Elleard.....	75 150 00	.....	.....	.....	.....
26	James B. Neill.....	.....	.....	.....	336 119 00	.....
28	Chas. M. Elleard.....	.....	.....	189 119 00	.....	.....
28	Thomson & Wheeler.....	.....	.....	39 119 00	95 119 00	.....
30	C. M. Elleard.....	.....	.....	{ 205 119 00	.....	.....
31	C. M. Elleard.....	.....	49 \$119 00	{ 189 119 00	.....	.....
31	J. B. Neill.....	3 150 00	.....	51 119 00	.....	.....
31	J. O. F. Farran.....	76 125 00	.....	32 119 00	.....	.....
31	B. F. Fox.....	56 150 00	.....	77 125 00	.....	.....
31	Thomson & Wheeler.....	.....	.....	{ 33 119 00	.....	.....
31	J. S. Rollins.....	.....	.....	59 119 50	.....	.....
2	Charles M. Elleard.....	.....	.....	70 119 00	.....	.....
2	John Allen.....	14 150 00	.....	.....	41 112 50	.....
2	George H. Rea.....	2 150 00	.....	100 119 00	.....	.....
2	Louis Thauberger.....	.....	.....	24 119 00	.....	.....
3	Thomson & Wheeler.....	.....	.....	15 119 00	.....	.....
3	John Allen.....	.....	.....	1 119 00	.....	.....
4	Charles M. Elleard.....	.....	.....	.....	89 119 00	.....
5	Charles M. Elleard.....	75 150 00	.....	29 119 00	.....	.....
5	B. F. Fox.....	.....	.....	51 119 00	.....	.....
5	John L. Walker.....	.....	.....	170 119 00	.....	.....
6	Charles M. Elleard.....	31 150 00	.....	33 119 00	.....	.....
7	Charles M. Elleard.....	14 150 00	.....	1 119 00	.....	.....
7	Thomson & Wheeler.....	11 150 00	.....	125 119 00	.....	.....
7	Charles Ridgely.....	.....	.....	69 119 00	.....	.....
8	A. Peterson.....	.....	17 119 00	94 119 00	102 120 00	.....
				82 119 00		

9	Thomson & Wheeler	12	150 00			41	119 00				
9	J. B. Neill								78	119 00	
10	Thomson & Wheeler								35	119 00	
10	James B. Neill	12	150 00			38	119 00				
10	J. O. F. Farran	49	150 00	22	119 00						
10	F. J. Flanagan			110	119 00						
10	Jno. Allen	8	150 00	5	119 00	78	119 00				
12	Jno. Allen	7	150 00			72	119 00				
12	C. M. Elleard	51	150 00			137	119 00				
12	M. M. Dodds					24	119 00				
13	J. O. F. Farran			68	125 00	69	125 00				
13	J. B. Neill	5	150 00			24	119 00		102	120 00	
13	B. F. Fox	9	150 00			35	119 00		6	119 00	
17	James B. Neill					11	119 00				
17	L. Haskell								565	119 00	
17	C. M. Elleard	7	150 00			66	119 00				
17	B. F. Fox	17	150 00			22	119 00				
17	John Allen								50	119 00	
17	J. O. F. Farran	32	150 00								
17	B. S. Brown					49	119 00				
18	B. F. Fox	31	150 00			39	119 00				
19	B. S. Brown					154	119 00				
19	C. M. Elleard					145	119 00				
19	L. Haskell								19	119 00	
20	L. Haskell								238	119 00	
20	L. Haskell								80	119 00	
20	J. B. Neill	29	150 00			99	119 00				
20	B. F. Fox	3	150 00			32	119 00				
21	J. L. Price										
21	L. Haskell								200	119 00	
21	B. G. Brown								207	119 00	
21	B. F. Fox	19	150 00			52	119 00				
21	O. C. Scovill					19	119 00				
21	J. D. Renney					54	119 00				
21	L. Haskell								112	119 00	
22	F. M. Colburn								119	119 00	
23	L. Haskell					53	108 00		429	119 00	
23	O. C. Scovill					100	119 00				

ABSTRACT—Continued.

Date.	Of whom purchased.	Artillery horses, first class.	Artillery horses.	Cavalry horses.	Mules.	Remarks.
Sept. 23	B. F. Fox.....	17	\$150 00	33	\$119 00	
24	L. Haskell.....					
25	B. F. Fox.....	29	150 00	40	119 00	

I certify that the foregoing is a true abstract from the vouchers in General McKinstry's office.

H. W. G. CLEMENTS, *Chief Clerk.*

Question. Have contracts for furnishing any articles for the government been frequently made by your department, or open orders issued for that purpose to parties upon the recommendation of gentlemen occupying high social and political positions in this city?

Answer. They have.

Question. State the names of the persons upon whose recommendations your department has frequently acted in giving such contracts or orders, and to what extent they have so acted.

Answer. I cannot answer the question without looking at my books and papers.

Question. Will you furnish the committee such information?—(See the subsequent examination of the witness on another day.)

The committee here handed the witness a contract, of which the following is a copy :

This agreement, made and entered into this 22d day of September, 1861, between Brigadier General J. McKinstry, acting assistant quartermaster general for western department, for and on behalf of the United States, of the first part, and Albert S. Mowry, of Cincinnati, Ohio, of the second part, witnesseth :

That the party of the second part, for and in consideration of the stipulations hereinafter mentioned, agrees to furnish the party of the first part fifty box cars and fifty platform cars, the box cars similar to those known on the Pacific railroad as accommodation freight cars, to be built and fully completed in the most substantial manner, and according to the plans and specifications to be furnished by Captain Castle, strictly to his acceptance, and whose opinions as to the workmanship is to be final between the parties. Said Mowry also agrees to deliver fifty of said cars in eighteen days, and fifty in thirty days, on the track of the Pacific railroad, free of expense to the party of the first part, and as many more as the party of the first part may require, in forty-five days from the date of this contract. And the party of the first part, for and in behalf of the United States, agrees to pay, or cause to be paid, to the party of the second part, at the quartermaster's office of the United States army, St. Louis, Missouri, at the rate of, as follows, viz :

Eight hundred and twenty-five dollars for box cars, and seven hundred dollars for platform cars, at the time of their delivery and acceptance by Captain Castle.

It is expressly agreed that no member of Congress shall have any share or part in or derive any benefit arising from this contract.

In witness whereof we have hereunto set our hands and seals the day and year before written.

Signed in quadruple.

By order of Major General John C. Frémont.

J. McKINSTRY, [SEAL.]
Brigadier General and Quartermaster.
ALBERT L. MOWRY. [SEAL.]

Witness—

R. F. WILLIAMS.

H. W. G. CLEMENTS.

A true copy.

H. W. G. CLEMENTS.

Question. Is this the original copy of a contract on file in your office made by General McKinstry with Albert L. Mowry for the construction of a lot of cars?

Answer. It is one of the original copies. The contract was in quadruple.

Question. What do you know in relation to that contract?

Answer. I do not know anything about it. I merely know that I witnessed the signature.

Question. At whose request?

Answer. General McKinstry's.

Question. What do you know in relation to the contract with Almon Thomson for coal?

Answer. I know there is such a contract filed in our office.

Question. Do you know anything of the circumstances under which it was made?

Answer. It was made after advertisement for proposals.

Question. Was the contract awarded to Thomson as the lowest bidder?

Answer. It was.

Question. Will you state whether the clothing supplied, or to take a single case, the clothing supplied for Frémont's body guard, was furnished under a contract or under an order; if not, in what way, and by whom?

Answer. I cannot tell you about that. There was a bill presented the other day, I think, by the firm of Field Brothers. It attracted my attention by the prices being, as I thought, rather high. He stated that it was for clothing for Frémont's body guard.

Question. By whose order was that furnished?

Answer. I cannot tell. My attention was attracted by the enormous price. I think the cloth was over \$3 a yard.

Question. Was the cloth purchased and made up?

Answer. Yes, sir.

Question. How were the equipments and all that kind of thing furnished?

Answer. They were usually furnished upon samples presented, and prices stated with them.

Question. Can you furnish the committee with copies of the bills of articles furnished in connexion with that body guard?

Answer. That is the only bill I know of, with the exception of equipment and hat bills.

St. LOUIS, *October 26, 1861.*

J. T. TINDALL, being duly sworn, was examined as follows :

Question. State your profession and the department of service in which you have been recently employed.

Answer. I am colonel of the 23d regiment of Missouri volunteers. I came to Benton barracks, near this city, on the 8th of September, but I have been in the city, near headquarters, since about the 5th of October.

Question. Since that time what duties have you been performing?

Answer. I have been guarding the military prison—guarding the gunboats at Carondelet, and at points near here. My duties have been confined principally to this city.

Question. State whether you have had occasion to observe the works which have been appropriated in this city by the government for military purposes, and matters necessarily connected with such purposes.

Answer. I have not, to any very great extent; and with the exception of the barracks, which are being built at headquarters, I know but little about them.

Question. What headquarters do you refer to?

Answer. General Frémont's headquarters, on Chouteau avenue.

Question. Is that in the central part of the city?

Answer. No, sir; I do not regard it as in the centre of the city.

Question. Is it within the body of the city?

Answer. Yes, sir; I suppose it is a mile from the court-house, south and west.

Question. The city is built up largely all around it?

Answer. Oh, yes; and upon a street very well improved, indeed.

Question. State the character of the barracks, which you refer to, as having been or being erected near General Frémont's headquarters, and for what purpose they are designed.

Answer. As to the purpose I am entirely unable to state. I have no opinion to express upon the subject. The barracks are frame, built and boarded up upright, and filled in with brick. They are one story high, built in a neat and decent style, and I believe are all painted.

Question. How extensive are they?

Answer. I am unable to state.

Question. What number of troops are they capable of accommodating?

Answer. I am unable to state with accuracy about that. My judgment would be made up merely from looking at them from the outside, as I have been unable of late to get inside of them. I should judge they would accommodate 2,000 men.

Question. Are they in an advanced state of completion?

Answer. They are all nearly finished.

Question. Are any of the buildings connected with those barracks more elegantly completed than the buildings you have described?

Answer. The buildings I have described are built in two rows, and between them is a house finished in the same style, but is two stories high instead of one.

Question. This two-story building is built in connexion with the barracks?

Answer. Yes, sir.

Question. Are they erected upon public or private property?

Answer. I am unable to say.

Question. You spoke of General Frémont's headquarters. What do you mean by that?

Answer. I mean the house in which, general report says, General Frémont lives or does live when he is here, and in which the offices are kept. It is known as the Brant House, and is an extensive brick structure faced with stone. It is a very elegant building. I do not know of a better one in the city. Although my knowledge of the city is very extensive, I am not advised of so good a house.

Question. Will you state, as a military man, what purpose there could have been in erecting those barracks, in connexion with the general's headquarters, in or near the heart of a city like St. Louis.

Answer. I can see but one purpose, and that is the quartering of a large body of soldiers around headquarters. The object for which they were to be kept there I cannot say.

Question. I desire to know what would be the military necessity of constructing barracks in such a position.

Answer. None, in my judgment.

Question. Would it not be military inconvenience?

Answer. My opinion is, that it would. I think it is detrimental to the service to quarter a body of men in the thickly-settled part of a city, and I can see no good reason for it. I know it has been detrimental to my men to have them encamped where they have been.

Question. Have you any idea of the cost of those barracks?

Answer. I have not.

Question. What other private property in this city has been appropriated to the public use in connexion with the military command here?

Answer. I am unable to state. I do not know anything about this property—whether it is public or private. I have seen fortifications in the process of construction around this city, but I do not know upon whose property they are being erected.

St. Louis, *October 25, 1861.*

PARMENUS P. TURNLEY, recalled.

Question. State the character of your connexion with the public service, and how long you have been in this city.

Answer. I am assistant quartermaster in the federal army, and have been on duty in this city, with a slight exception, since about the last of July.

Question. Who is your superior in that department here?

Answer. General McKinstry was the principal in charge of the department, before he left for the field, until the latter part of September.

Question. What connexion had you with the earlier contracts entered into in this city for the supply of horses and mules?

Answer. The first few weeks of my service here, I was principally upon duty about General Frémont's headquarters. I, on several occasions, was instructed by Colonel I. C. Woods to write agreements or contracts for horses with different persons. I do not now recollect the names of more than two of them. Only one of those I put into the regular form of a contract, and that was with Sacchi. The others were mere memoranda of agreements.

Question. Why were they not made out in form of regular contracts?

Answer. My instructions were to make a writing, stating that this man, A, B, or C, had been instructed to turn in so many horses of a certain character. What they seemed to want was an authentic statement of the character of the horses to be furnished, the price they were to get, and the person to whom they should be delivered. The memorandum was more an authority for the party to present when he delivered the horses or at the time of being paid, than anything else. I had also verbal instructions, at one time, to get 800 or 1,000 good draft horses. I never carried out the instructions, though I got a few. I then stopped it.

Question. Why?

Answer. At the time I was told to do it, I remarked to Colonel Woods that I thought mules or oxen should be used instead of horses. About two weeks afterwards a hundred horses were turned in for draft purposes. I then saw Woods again, and asked him if it was positively the general's orders that horses for draft purposes should be obtained. He said it was certainly so; but, said he, "I will see him again about it." I said I would get no more until I heard further about it. So the thing was stopped. Men of 20 years experience in the army are not in the habit of buying horses for draft purposes. Two weeks after that I understood by positive announcement of Colonel Woods, that it was not the intention to get any more draft horses.

Question. What had Woods to do with the purchase of horses?

Answer. I do not know.

Question. Did not that business properly belong to the quartermaster's department?

Answer. Yes, sir; he was merely the mouth-piece to me of the general, whom I seldom saw.

Question. Did Woods specially direct you as to the person with whom the contract should be made, or from whom the horses should be purchased?

Answer. He did in connexion with the memoranda and agreements I made. For instance, he named Sacchi, and told me to make a contract with him for the delivery of 1,000 horses.

Question. At a price which he himself mentioned.

Answer. The general, he said, had made a contract with this man, and that he desired me to put it into proper form and shape. That

was the agreement I drew out in quadruple, out and out, with clause of indemnity, &c.

Question. In those mere memoranda which you drew up, there was no indemnity, whatever, to the government in case of failure.

Answer. None whatever. They were substantially in this form: This memorandum of agreement made this — day of —, 1861, witnesseth: That A, B, or C, is to deliver at such a time, to such a person, so many good, sound, serviceable horses, without blemish, for cavalry or artillery purposes, for which the said A, B, or C, is to receive so much per horse inspected and received.

Question. But without any indemnity to the government in case of failure.

Answer. Without any, as I understood men here had their stables full of horses, and in this way they got assent to put them in.

Question. Then, instead of the quartermaster making the contracts in the ordinary way, the contracts were really made, so far as you know personally, by Woods himself.

Answer. So far as I know; my instructions were from him, though he qualified his instructions by saying the general orders so and so.

Question. What military position did he hold at that time?

Answer. I do not know that he held any, or whether he holds any now. He was then called "Major I. C. Woods, military secretary." He is now called "Colonel I. C. Woods, director of transportation."

Question. Look at this contract between E. L. Beard (the contract embraced in H. W. G. Clements's testimony) and Major McKinstry for building fortifications in and around St. Louis, and state what knowledge you have of that contract.

Answer. I have read it over. This is the first time I ever saw it.

Question. Do you know whether it was made before or after the commencement of those forts?

Answer. The date of it is subsequent to the commencement of the work upon the forts.

Question. Do you know anything about the fulfilment of that contract, and to what extent it was fulfilled?

Answer. I have been only upon a part of the work.

Question. Do you know how much has been paid Beard upon the contract?

Answer. I have turned over to him upon his receipt \$66,000.

Question. Did you do that upon an actual measurement of the work on the contract?

Answer. No, sir; I did it upon the order of General Frémont, indorsed by McKinstry as my chief. It was turned over upon an instrument of which the following is a copy:

HEADQUARTERS OF THE WESTERN DEPARTMENT.

You will advance a further sum of sixty-six thousand dollars (\$66,000) to Mr. E. L. Beard, contractor, as he informs me that without the advance of this sum he must discharge a large portion of his force, and thus delay the works on our fortifications.

J. C. FRÉMONT,

Major General Commanding.

Brigadier General McKINSTRY, *Q. M. U. S. A.*

Indorsed: Captain Turnley, who has funds, will comply with General Frémont's order.

J. McKINSTRY,
Acting Quartermaster General.

SEPTEMBER 6, 1861.

Question. Do you know of the payment of any other sum of money to him?

Answer. I was ordered in a similar way to pay \$30,000.

Question. Did you pay it?

Answer. No, sir; I am almost certain and positive I did not pay it. We have the order to pay it yet on file.

Question. Who ordinarily would have had the measurement of the work under the contract, and the payment of the money on the estimates?

Answer. Congress makes a special appropriation for fortifications, and the works are made in pursuance of plans furnished by the engineer department of the United States army, and the payments are made by warrants sanctioned by the Secretary of War.

Question. What connexion has the quartermaster with such works?

Answer. None in the world, unless it is to improvise defences for the moment.

Question. Was this \$66,000 you paid upon that authority, money which was legitimately and properly appropriated to such payments?

Answer. No, sir; it was specifically appropriated for the quartermaster's department, for clothing, transportation, &c.

Question. Do I understand you to say that the \$66,000 which you paid Beard was money which the quartermaster's department of this city had received from Washington city for the purpose of purchasing horses and wagons, forage, and the transportation of troops, &c., and for equipping the army?

Answer. Yes, sir; it was for the legitimate purposes of the quartermaster's department in organizing the army.

Question. Why, then, was it diverted from that purpose?

Answer. Purely upon General Frémont's order.

Question. What authority had General Frémont to make such an order upon the quartermaster's department?

Answer. No authority, except that, as commander-in-chief, his orders are superior to all others upon the spot, and are necessarily obeyed for the sake of subordination. I sent a copy of the order an hour after I got it to Quartermaster General Meigs, at Washington.

Question. Have you heard from him upon the subject?

Answer. Yes, sir.

Question. What did he say?

Answer. That the order was illegitimate, and that I was right in not obeying the order.

Question. Do you know that any measurement or estimate of the work done by Beard upon those fortifications had been made at the time this \$66,000 was ordered to be paid?

Answer. I did not then know that any contract was in existence for the work.

Question. How many days after the date of the contract for building these forts was this money paid to Beard?

Answer. It was paid before the date of the contract.

Question. How long before?

Answer. About 14 days. I paid the money on the 11th, and the contract was dated on the 25th of the month.

Question. Had Beard, in any shape, manner, or form, given to the government any indemnity against this misappropriation of money which might be placed in his hands for that purpose?

Answer. None that I know of.

Question. Would you have been informed of the fact if it had been the case?

Answer. Not necessarily. He could have given indemnity to General McKinstry or to General Frémont without my knowing it. Subsequent to that I was ordered to turn over to Colonel Hassendeubel, or else make other arrangements, to pay some twelve or fifteen hundred men in his charge who were at work upon the fortifications.

Question. By whom?

Answer. By General Frémont, communicated to me in a note from Colonel Woods.

Question. Did you comply with that order?

Answer. I sent for Hassendeubel, who signed himself a superintendent of fortifications, and, through an interpreter, learned about the amount it would take. I then told him to make out a pay-roll of the different persons. He had the rolls made out, and brought them to my office. I found them so voluminous, embracing about a thousand men, to many of whom only a dollar, or two dollars, or five dollars, were due, that I footed up the amount, found that it amounted to about \$10,000, and gave him the money, took his receipt for it, and sent a clerk to superintend the payment of it. After the lapse of a week or ten days the men were paid, not in my office, but in the fortifications, where they were at work, and the pay-roll was brought back, certified and witnessed by Hassendeubel or his clerk.

Question. How long was this subsequent to the payment of the \$66,000?

Answer. I think it was a week or ten days.

Question. If Beard was constructing these works under that contract, upon which he received the \$66,000, what had the government to do with the payment of these men?

Answer. None whatever, if Hassendeubel's and Beard's fortifications were the same.

Question. Did not the contract provide for building all the forts around the city?

Answer. I know nothing except what was contained in the order.

Question. Did you ever hear of another contract being made for the construction of any of those forts?

Answer. I did not. It was while I was turning over this money to Beard that I made inquiry to know whether he was contractor, or simply agent to supervise the work and pay the men. I proposed to Beard at one time to make out a roll of the men, take their receipt

upon the roll, and give the men a little slip or ticket for the amount due them, upon which I would pay them.

Question. What did he say to that?

Answer. He said very well. He said there were a great many of them, and that it would give me a great deal of trouble and work. The next day it was that I got the order. He was at my office several days, asking for money.

Question. Do you know in what manner that \$66,000 was applied?

Answer. I do not.

Question. Where is Beard; and is he still engaged in the construction of these works?

Answer. I saw him day before yesterday. I do not know what he is doing.

Question. Who is he, and where did he come from?

Answer. I do not know anything about him. I have heard that he lived formerly in Indiana, and latterly in California.

Question. Have you paid any other sums of money in that way?

Answer. I would have to examine my books to see. I do not recollect any at the present time. It appears to me, however, that I have turned over other sums.

Question. Was the money which you last paid appropriated for that purpose?

Answer. It was money especially furnished for the purposes of the quartermaster's department, and not for fortifications.

Question. Was all the money paid upon these fortifications money drawn from the treasury for entirely different objects, and diverted by order of General Frémont for this special purpose?

Answer. Yes, sir.

Question. Is this contract with Beard in the form ordinarily adopted in the quartermaster's department; and if not, in what respect does it differ?

Answer. It differs from the form we ordinarily use in the quartermaster's department, in that there is no security given for the completion of the work, either in the shape of bond, or retention of money. One of which is very essential and is always demanded as security to the government. In little memoranda of agreement we scarcely ever insert such a provision.

Question. Does this contract conform to either of those rules?

Answer. No, sir. There is no security against failure, unless you consider this clause a security, "to be paid upon the certificate of the engineer." In that case, if the government should pay all that is due upon a particular day, the remainder might never be completed.

Question. What reason is there, in your judgment, why the ordinary rule should have been departed from in that particular case?

Answer. I know of none.

Question. Do you consider the public interest guarded by such a contract as that?

Answer. No, sir.

Question. Were you ordered to turn over the quartermaster's funds to any other department; and if so, when, and to what amount?

Answer. I was also ordered by General Frémont to turn over

\$100,000 to Captain Callender, of the ordnance department, out of the quartermaster's funds. I sent for Captain Callender. He came to my room, as I was sick. He said he thought he could do with less than \$100,000. He brought a man with him who was to receive a portion or all of the money, as I judged from the conversation between them. I think Captain Callender took a receipt from this person for a part or all of the money, upon a bill for the purchase of ordnance. I drew two checks, the aggregate amount of which was about \$82,000, on the assistant treasurer at New York. That was all of the \$100,000 I turned over.

ST. LOUIS, *October 26, 1861.*

ALEXANDER KELSEY recalled.

The committee presented to the witness an original voucher, of which the following is a copy :

The United States to Alexander Kelsey.

1861.

July 30.	28,000 pounds hay, at 70 cents per hundred.....	\$196 00
	514 $\frac{1}{3}$ —18,000 pounds oats, at 25 cents.....	128 55
	107 $\frac{8}{9}$ — 6,000 pounds corn, at 25 cents.....	26 80
	For Lieut. Shields's volunteers, Cape Girardeau.	
29.	3,000 bushels (105,000 pounds) oats, at 25 cents	750 00
	For Major Spicer's brigade, Missouri volunteers, Mexico, Missouri.	
Aug. 4.	5,000 bushels, 175,000 pounds, oats, at 26 cents.	1,300 00
	For Major Hatch, quartermaster, Cairo.	
		2,401 35

I certify that the above account is correct and just, and that the articles have been accounted for on my property return for the quarter ending the 30th of September, 1861.

J. McKINSTRY,
Assistant Quartermaster.

Received, St. Louis, Missouri, the 31st of August, 1861, of Brevet Major J. McKinstry, assistant quartermaster United States army, twenty-four hundred and one dollars and thirty-five cents, in full of the above account.

ALEXANDER KELSEY.

Question. You have before you an original voucher, signed by yourself, for articles furnished to the United States, upon which there is a receipt signed by yourself, dated the 31st day of August, 1861. Will you state whether you sold all the articles mentioned in that voucher to Joseph S. Pease at the prices therein stated?

Answer. I cannot say that I have.

Question. The first item is for 28,000 pounds of hay. Can you state whether you sold that article to Pease at the price named?

Answer. I cannot; but here is a memorandum of mine of all sales I made to Pease.

Question. Look at it and answer the question.

Answer. I sold him three lots of hay, two of them were of small amounts. I did not sell him any hay before the 21st of September.

Question. Then the charge for the hay upon the voucher which is before you is a charge for hay which you never sold to Pease or to the United States?

Answer. I never sold it to him to my knowledge.

Question. Do you not know that you did not?

Answer. I know I did not.

Question. The next item in the voucher is $514\frac{10}{35}$ bushels of oats. Did you sell him that item of oats?

Answer. I find no such item of sale upon my books.

Question. Would there have been such an item of sale upon your book if you had sold him that amount of oats?

Answer. Yes, sir.

Question. Then you state that you never sold Pease or the United States any such number of bushels of oats at that time and at that price?

Answer. I do.

Question. The next charge is for $107\frac{8}{6}$ bushels of corn on the 30th of July, at 25 cents a bushel. Did you sell him any such amount of corn on that day and at that price?

Answer. I did not. I find no such charge on my books.

Question. Did you, on the 29th day of July, sell to Pease or to the United States, 3,000 bushels of oats at 25 cents per bushel?

Answer. No, sir. On the 29th of July I sold him 118 bags, 83 bags, and 36 bags of oats, amounting to 27,000 pounds, at 23 cents a bushel, which amounted to \$176 05.

Question. Then that charge upon the voucher is incorrect?

Answer. It is. I did not sell any such amount on that day.

Question. The next charge is, August 4th, 5,000 bushels of oats, at 26 cents per bushel. Did you sell to Pease or to the United States that amount of oats on that day?

Answer. I did not sell him any on that day. August 2d I sold Pease 163 bags of oats, equal to $319\frac{5}{35}$ bushels, at $24\frac{1}{2}$ cents per bushel, amounting to \$78 65.

Question. Then that charge upon the voucher is not correct?

Answer. It is not.

Question. You sold no such an amount that day?

Answer. I did not.

Question. But on the 2d of August you sold the amount you stated, and at the price you stated?

Answer. Yes, sir.

Question. What explanation do you give of this voucher which you rendered to the United States, and which is false in every particular?

Answer. I always supposed that Pease was an upright and honorable man. One Saturday I had been up to his office to get some money, and that evening he came to my office just as I was closing up for the night—it was just dark—and brought the voucher with him. He said he could not give me any money until he had got this voucher, for stuff which I had sold him, signed. It was so dark I could not look over the account to see whether or not it was correct. I did not see the amounts, but took it for granted that they were correct. I could just see indistinctly to write my name to the receipt, which I did.

Question. How much money did he pay you at that time?

Answer. I think he gave me \$1,000 the next Monday on account.

Question. Did you not know anything in regard to the items which composed the account?

Answer. I did not.

Question. What was your idea about the matter when you signed the receipt?

Answer. That it was a bill for articles sold, or a correct copy of a bill, and I did not consider it requisite to look it over. When you showed it to me yesterday, it took me more by surprise than anything else; I did not consider it possible that I signed a receipt to such a voucher, but it turns out to be true.

Question. Did you receipt the bill on the day the receipt was dated?

Answer. I am satisfied I signed the receipt on Saturday evening, but whether it is dated correctly I cannot say. I could barely see the line to write my name upon it—at the dusk of the evening.

Question. By this bill it appears that you have receipted to the United States \$2,401 35 which does not belong to you?

Answer. Yes, sir; it would not belong to me if I had got it, but I have not.

ST. LOUIS, *October 26, 1861.*

EDWARD H. CASTLE, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In Chicago.

Question. What is your business?

Answer. I have been engaged for the last two years in building a railroad in this State.

Question. How long since you left Chicago?

Answer. I am there every month or two; I was there six weeks ago.

Question. What is your present position in this State?

Answer. I have an appointment under General Frémont to take charge of government transportation upon the railroads.

Question. Have you that appointment with you?

Answer. I have it in my desk at my office.

Question. Through what recommendation and influence was your appointment obtained?

Answer. I had a contract for building a road from the Mississippi to the Missouri river through the northern counties of the State. The road was chartered by the legislature, and the stock was taken by the farmers upon the line, and by the counties in their corporate capacities. This last winter I spent in attendance upon the legislature of the State for the purpose of getting the name of the road changed, and to attend to some other small things connected with the road, of which I was president, as well as one of the directors. I was negotiating in Europe for 100 miles of iron for the road, and so I got up a report in reference to the road and took it to Jefferson City, and during the winter I got the whole legislature to indorse the report. I expected then to go to Europe, and started the day Fort Sumter was fired into. I did not go further than Washington on account of the threatened troubles. The last of June, I think it was, I returned to Chicago; I spent a couple of weeks there, and came down here to my work and found that Green had raised an army and was driving all the Union men out of the country. So we were obliged to suspend work on our road. Our trains are now standing upon the track, and have been since July, and nearly all our men have enlisted in the army and come to St. Louis. I came down to see General Frémont, to talk with him and see if I could not make some arrangement. I told him our work was destroyed, and that I would like to take hold and do something to help save the State and the country if possible. He said he wanted a party to take charge of the transportation upon the railroads. I showed him my letters, of which I had a good many. He asked me if I had any letters from men in this city. I told him I had, or could get them. I went to several gentlemen and asked them for letters recommending me as a railroad business man. They gave them to me.

Question. Who were they?

Answer. One was President Barlow, of the Iron Mountain railroad, another George R. Taylor, of the Pacific railroad, and Alfred Clapp. I was also indorsed by the editor of the "Democrat," by Mr. Bacon, and by several other gentlemen whose names I do not recall now.

Question. Was any opposition made to your appointment, at that time, or afterwards, by any person or persons?

Answer. Not to my knowledge. Upon those letters General Frémont gave me an appointment, and set me to work immediately. I commenced on the 30th of July.

Question. Was it a military appointment in any sense?

Answer. I should think not. I was to see to the transportation of troops, &c., upon the various railroads, and to act in harmony with the quartermaster at this post.

Question. Was any rate of compensation fixed?

Answer. No, sir.

Question. Has there been since?

Answer. I have never spoken to General Frémont upon the subject since.

Question. In what manner do you expect to receive compensation for your services?

Answer. I expected to receive a colonel's pay.

Question. Was that promised to you?

Answer. No, sir; but Secretary Woods told me that Scott, who holds at Washington a similar appointment, received a colonel's pay, and that I would probably receive the same.

Question. What had Woods to do with the matter?

Answer. He was secretary for the general, and was doing business with and for him. He handed me the appointment.

Question. How many months have you been engaged?

Answer. Since the 30th of July.

Question. Have you received any pay?

Answer. Yes, sir.

Question. From whom, and at what rate?

Answer. I received two months' pay from Quartermaster Davis.

Question. Upon what kind of a voucher?

Answer. Upon a voucher that I had served as supervisor of transportation in this department.

Question. At what rate were you paid?

Answer. At the rate of \$225 a month.

Question. Have you had entire control of the railroads of the State, so far as the government has exercised control?

Answer. I have only had the control of transporting the government freight and troops.

Question. What connexion, if any, have you had with connecting the several lines of roads that centre in this city?

Answer. General Frémont asked me as to the rolling stock of the roads; I immediately took an invoice of such stock, and made a report to General Frémont; and at the same time reported that I could connect the Iron Mountain and Pacific railroad, by building less than half a mile of road, so that we could use the stock of both roads upon either of them. He recommended me to go to work and connect the roads. I found the railroad companies were pleased with the idea, and that they would furnish me with iron and ties to do it with.

Question. Did the Pacific road furnish ties?

Answer. I believe it did.

Question. Was that road consulted in regard to this movement?

Answer. I talked with the president, and he seemed pleased with the idea, at any rate he did not object to it.

Question. At what time was that?

Answer. I cannot recollect.

Question. What was the conversation?

Answer. I do not recollect the precise conversation.

Question. Did you ever consult with him again upon the subject?

Answer. I talked with him about it at different times.

Question. Did he co-operate with you in the work in any respect?

Answer. He seemed pleased to see the work done, and said they had tried for years to do it, but that property holders and the city had objected to it, and consequently they had not been able to get it done.

Question. Did you consult with any property holders?

Answer. No, sir.

Question. By what authority did you go over their property?

Answer. I went to the mayor and city engineer, and told them that

I had received orders from General Frémont to do so and so, and that I wished to consult and work with them, and have their co-operation. They said they had no objection, and I employed the city engineer to assist in locating the work.

Question. Was any consent obtained from any property holders?

Answer. Never, to my knowledge.

Question. Was any estimate made as to the damages?

Answer. The thing never was spoken of to my knowledge. No one objected.

Question. Did it do any damage to anybody?

Answer. I took down a shanty, for which I paid \$75.

Question. Did the road run over ground belonging to any private individuals?

Answer. With the exception of the lot upon which the shanty was situated, the road ran through the streets.

Question. Did you take any private property for any one connected with this road?

Answer. If I did I was not aware of it. I superintended the work, and hired men by the day to do it.

Question. Where was the iron obtained?

Answer. From the Iron Mountain and Pacific roads.

Question. Did they have it on hand?

Answer. Yes, sir.

Question. What was the cost to the government of that road?

Answer. I have not yet balanced the accounts, but I am of opinion it will not exceed \$4,000.

Question. What is the length of the road?

Answer. I believe it is seven blocks.

Question. Is the government using it now?

Answer. We have used it a good deal. It has already, in my opinion, paid for itself.

Question. What do you know in relation to the rolling stock of the Pacific road?

Answer. They have about 420 cars, I think, and some eighteen or twenty engines.

Question. Is that stock sufficient to do the business of the road?

Answer. It was sufficient under ordinary circumstances. But to move the army there were not half cars enough to do it as expeditiously as General Frémont desired. I have had the road engaged five or six weeks, night and day, and could have run two or three hundred cars more to advantage if I had had them.

Question. What kind of cars were most needed?

Answer. Cars which could transport stock, horses, mules, provisions, &c. I was most embarrassed for want of cattle cars.

Question. Have you contracted for the building of any cars for that or any other road?

Answer. General Frémont and Major McKinstry contracted for 100 cars.

Question. Had you anything to do with the matter?

Answer. General Frémont wanted me to make a report of what was best to do in the matter, and I reported that with the roads com-

menced, 100 more cars would give us much greater and needed facilities, as we could use them upon both roads.

Question. What kind of cars have you contracted to have built?

Answer. Such cars as would answer the purpose of carrying stock, troops, munitions of war, and anything the government might have to move.

Question. How many platform cars has the Pacific road?

Answer. I do not recollect, but I am of opinion forty or fifty.

Question. Did you ever inquire of the president of that road as to the amount of rolling stock it had?

Answer. I did; and had an entire inventory taken of it.

Question. Do you state that there are not more than fifty of those platform cars?

Answer. I judge there are not more than fifty.

Question. Do you know of Taylor offering those cars to the government?

Answer. I do not. We were using all they had, and also all upon the Iron Mountain road at the same time.

Question. Could not those platform cars have been made use of for carrying troops by laying out a small amount in alteration?

Answer. We were using them to transport ammunition and artillery batteries upon.

Question. Were you using all the platform cars they had?

Answer. I believe we have been.

Question. Have you ever had more than fifty of them?

Answer. We have used all that there were upon the road, I believe. We had more orders for transportation than I could fill, and General Frémont asked me if I had the rolling stock of the Iron Mountain road. I told him I had all, except a very little. He said we must have more rolling stock, and desired me to make a report, and get propositions for building 100 cars, the kind of cars that would be most needed and most useful. After looking at the cars myself, and getting other competent persons to look with me to ascertain which would be the best cars, I made a report.

Question. Did you advertise for proposals for building the cars?

Answer. No, sir.

Question. How soon were these cars to be finished?

Answer. I think within forty days.

Question. Did you make the contract?

Answer. No, sir; I do not think I did. Judge Corwine, of Cincinnati, drew the contract. He recommended a man whom he knew to be a man of responsibility, and able to furnish the means to carry out the contract.

Question. Did you receive any proposition for building them?

Answer. I did, from all the car-builders in the city.

Question. How did their bids range?

Answer. Mr. Mowry's proposition was fifty or a hundred dollars below that of anybody else.

Question. Are you certain of that?

Answer. I know it was much the lowest.

Question. You can swear that it was lower than the bid of John D. Shaffer?

Answer. It was lower than the bid of any other party which was made to me.

Question. What became of the propositions?

Answer. They were handed to General Frémont.

Question. Did you have anything to do with them?

Answer. I received the propositions. They called upon me to know the kind of cars which were wanted, and I went and showed them the kind of cars we desired, and upon that they based their propositions.

Question. Who finally determined to whom the contract should be given at the price at which it was given out?

Answer. I cannot say whether it was Judge Corwine, or General Frémont, or Colonel Woods; as Mowry's was the lowest bid, it was given to him.

Question. Was Mowry here at the time?

Answer. He was not here, but had written a letter to General Frémont stating that he had the means and facilities for building cars, and he ordered Colonel Woods to write upon the back of it a reference of the matter to me to look into it, to see what kind of car I wanted, and to see Mowry.

Question. Did you see Mowry?

Answer. Judge Corwine telegraphed him to come here, and he did so. Corwine introduced him to me.

Question. Did Judge Corwine recommend him?

Answer. He recommended him as a good man, and as a man who had the means of carrying out the contract.

Question. What were the terms and conditions of that contract?

Answer. I never saw the contract after it was written, but I believe it provided that he should build the cars according to the model I showed him upon the Pacific road, for \$825 apiece. The Pacific road had paid \$800 for such cars, and those cars were to be got up in a hurry, and cost a little more. The platform cars, I think, were to be \$700.

Question. You stated that was the lowest bid?

Answer. I did.

Question. How do you know that?

Answer. I received the bids of different parties who had been building cars, wagons, and carriages here, and that was lower than any of them.

Question. You say you do not know who had the decision of that matter?

Answer. I do not. I passed the bids in, and stated upon Mowry's bid that that was the lowest.

Question. Could not other bids have been put in?

Answer. Yes, sir; but as the parties in town who had been in the habit of building cars sent me their propositions in writing, I passed them over to General Frémont, and I supposed he received all.

Question. Did you open the letters containing the bids?

Answer. I did.

Question. Who awarded the contract upon those bids? Did you?

Answer. I do not know. I do not think I did. I do not think it was in my power to do it, and consequently I do not think I did it.

Question. Then who did?

Answer. I think General Frémont did; he must have done it.

Question. How are contracts usually made—through General Frémont, at headquarters, or through the quartermaster's department?

Answer. I suppose this was made through the quartermaster's department.

Question. Then why should it have been made at headquarters, and not in the quartermaster's department?

Answer. The quartermaster's department was overrun with business at the time, and it was almost impossible to get an interview with the quartermaster. Again, the quartermaster was not a railroad man, and it was supposed I knew what was wanted, and after conferring with General Frémont the matter was closed.

Question. Then it was upon your advice and suggestion that the contract was made?

Answer. I do not think I could say that with propriety. I was desired, as a railroad man, to determine what cars were wanted, to see the parties, and ascertain what they could be built for, &c.; but I do not think I could be justifiable in saying I decided the matter.

Question. Was there a great demand for these cars?

Answer. Very great.

Question. Within what time were the cars to be made and delivered?

Answer. I believe in forty days; but, as I said before, I never saw this contract after it was drawn.

Question. When was the contract entered into?

Answer. I should think three weeks ago. I do not recollect the date.

Question. Are the cars finished?

Answer. Mowry has notified me that he will have fifty ready next week.

Question. What has become of the other fifty?

Answer. He is building them. I believe he has 400 men at work.

Question. Who signed the contract?

Answer. I do not know that I could say that McKinstry did, but that was the intention. I do not know but he did. I suppose he did.

Question. What do you state to be the price for which those cars are to be built?

Answer. I believe the box cars, as per sample, were to be \$825, and the platform cars \$700.

Question. Did Mowry give any bond for the completion of the contract?

Answer. I do not know.

Question. Was this suggestion made that he should give a bond for the completion of the cars by the time specified?

Answer. I do not know that there was.

Question. Was any deduction to be made if he did not get the cars done by the time stipulated?

Answer. I do not know, as I did not see the contract after it was drawn up. Nothing was said about it in my hearing.

Question. Was there not to be some guarantee for the government?

Answer. I was adviser in the matter, but I was not asked any question of that kind, and I did not consider it any of my business.

Question. Did you furnish the plans and specifications?

Answer. I took Mowry and some other builders to the Pacific railroad, and showed them the cars which the superintendent of that road and the superintendents of other roads thought it most advisable to get for the government, and most useful for all purposes, and which would be most useful for the different roads after the war is over. I consulted those superintendents, and showed the parties who wanted to make bids those cars.

Question. What is your recollection and understanding of the time in which those cars were to be finished?

Answer. To the best of my recollection, it was in forty days.

Question. None of the cars have yet been delivered?

Answer. There are quite a number standing upon the track.

Question. None have yet been delivered to the government?

Answer. No, sir.

Question. If they were finished they would probably be delivered, would they not?

Answer. I suppose so.

Question. Do you not know that the contract was dated on the 22d of September, and that fifty of the cars were to be delivered in eighteen days, and fifty in thirty days, because the necessity was so pressing, as you said?

Answer. I never saw the contract, and consequently do not know how it was made out, but my impression was that the cars were to be finished in forty days.

Question. You can state that none of them have been delivered?

Answer. None of them have been delivered, as I presume I should have known it if they had been. We have use for them if they are done.

Question. Have you made contracts with those roads as to the rate of freight?

Answer. I was furnished a schedule of prices and rates of freight by Thomas A. Scott, of Washington. I sent it to General Frémont, and he authorized me to get up a schedule establishing those rates. I issued a circular accordingly establishing those rates. It was as follows:

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, Missouri, August 23, 1861.

*To Presidents and Superintendents of railroads,
Western Department United States Army:*

The following is the basis established by the government for the transportation of troops and supplies for the army:

Per passenger per mile (2) two cents for distances moved.

Equipments, munitions and supplies accompanying regiments, first class local rates, which will average about as follows:

30 miles, or less.	10 cents per 100 pounds.
50 “	15 “ “
100 “	25 “ “
150 “	40 “ “
200 “	50 “ “
300 “	75 “ “
350 to 400 miles, not exceeding.	90 “ “

For transportation of horses in small lots the following are the usual estimated weights of railroad companies:

Single animals	3,000 pounds.
2 animals	4,000 “
3 “	5,000 “
4 horses	6,500 “
5 “	8,000 “
6 “	9,000 “
7 “	10,000 “
8 “	11,000 “
9 “	12,000 “

Full car loads, 13 or 14 horses, usually charged 18,000 pounds. All other supplies forwarded by freight trains are charged local rates, according to classification of property, which will usually average, on provisions and heavy freight, two to three cents per ton of 2,000 pounds per mile.

Fast freights, immediate transportation, and precedence given to the government in all cases.

All despatches required by the government to be furnished at the actual running cost.

E. H. CASTLE,

Supervisor Railroads, Western Department.

Question. Did you ever receive proposals from those roads to see what was the cheapest rate at which they would carry freight before you published that schedule?

Answer. I wrote to those roads to get proposals, but before I received answers Thomas A. Scott sent on those instructions to Captain Turnley, who presented them to me, and I sent them to General Frémont. He said that the rates established in Washington by Scott would be satisfactory in this department, and authorized me to issue a circular and send it to the superintendents and presidents of the roads, notifying them that those were the established rates.

Question. You acted upon that, instead of going to see whether or not you could make a better bargain with the roads?

Answer. I did not think it was my province to see what I could do after these rates had been established and published in Washington.

Question. But that scale of rates was not published for this meridian, was it?

Answer. No, sir; but General Frémont thought that the established rates there must eventually be the established rates here.

Question. Have you been settling the accounts of these different roads according to those rates?

Answer. I have recommended it in some instances, but I am not auditor. I have given them circulars, notifying all the roads that those were the established rates.

Question. Have any payments been made to the Pacific and to the Hannibal and St. Joseph roads?

Answer. I think \$20,000 was paid to the Pacific road at one time and \$10,000 at another time.

Question. Did you understand, in making this agreement to pay these rates of freight, that they were under obligations to carry troops and munitions of war for the United States free, in consideration of the grant of land to them by the government?

Answer. That was a matter with which I had nothing to do. I went upon the ground that they owned the road, and that if the government had any claim upon them, of course they would present their claims.

Question. I ask you if you were aware, at the time you made the contracts, of the conditions upon which these roads received their grants of land from the government?

Answer. I did not know it except by outside talk.

Question. What other road have you been engaged in connecting besides the Iron Mountain and Pacific roads?

Answer. I am now connecting the North Missouri road with the other two roads for the purpose of facilitating the passage of troops, munitions of war, and freight, through the city without reshipment.

Question. What length of road do you have to construct in order to form that connexion?

Answer. I should judge from two to three miles. Leaving the Missouri road upon their own ground, we branch off upon the side track, and running thence south half a mile we cross a block and come out upon the levee in front of the sugar refinery; from that point I am running the road through the centre of the levee by taking up the pavement and putting down the track so that it shall be upon a level of the pavement. I purpose to finish it so that the teams running north and south will prefer to pull upon that in preference to pulling upon the pavement.

Question. What distance does the road run through private property?

Answer. It runs partly through two blocks.

Question. What distance do you suppose?

Answer. It may be 500 feet from street to street.

Question. Does it pass through any building?

Answer. I removed one old shell of a building. I took off enough to pass through. It was a building 25 or 30 years old.

Question. In running over this private property, what arrangement did you make in relation to the damages which might result to the owners?

Answer. None at all.

Question. What arrangement did you make with the North Missouri road about the building of the connexion?

Answer. I was to furnish the iron, the cross-ties, and \$5,000 in cash towards constructing the telegraph line between this point and

Hudson; and in consideration of our doing that, this road was to give the government a credit of \$27,000 upon the freight bills which the government owed to that road. I subsequently entered into an arrangement with Judge Caton to build the telegraph line upon his own risk, he owning the line when finished. Still we get the same credit from the railroad for doing it. Our engineer estimated the cost of the wire at \$16,000.

Question. Does Judge Caton agree to build the line, furnish his own wire, and still the road allow the government the \$5,000 credit?

Answer. Yes, sir; the government makes no advance whatever for the construction of the telegraph line. I have received a despatch to-day informing me that he has commenced building the line, and that he is working from both ends.

Question. What bonus, if any, does he receive from the government?

Answer. He receives none.

Question. Does he receive any from the railroad company?

Answer. I do not know?

Question. Who is to own this piece of road, after it is finished, which connects the Iron Mountain with the North Missouri?

Answer. That is a question which has never been asked before in my presence.

Question. What interest has the railroad company in virtually paying the government for the iron and the ties if they are not to be permanently interested in the road?

Answer. The question was never asked me before.

Question. Do you understand that the government would have a right to remove the iron and cross-ties?

Answer. I should think not.

Question. Do you construct this piece of railroad upon contract, or by the employment directly of men?

Answer. I am employing men, and superintending the work myself.

Question. Where did you purchase the iron?

Answer. I purchased three hundred tons in New York.

Question. At what price?

Answer. At fifty dollars a ton, in New York.

Question. Where did you get the cross-ties?

Answer. After I commenced the work, the company proposed to furnish them, and they are doing it.

Question. Without any expense to the government?

Answer. Yes, sir.

Question. So that in reality you only furnish the iron and do the work?

Answer. That is all.

Question. Is three hundred tons of iron all that is required?

Answer. No, sir. I have purchased about five hundred tons in all. But an order has been given to me to put in a side track through the arsenal grounds. It is much needed there for loading and unloading. They also want a side track at Jefferson Barracks.

Question. What amount of iron will be required for all those additional pieces of road?

Answer. I calculated that five hundred tons would be sufficient

to do all I wanted to do. But the North Missouri road has agreed that if I have more iron than is required they will take it, and allow the government for it upon their freight bills.

Question. In what manner did you purchase the two hundred additional tons?

Answer. I bought it above Rock Island, and had it delivered here at fifty-eight dollars per ton.

Question. From whom?

Answer. From Boomer, of Chicago.

Question. For what purpose had that iron been at that point?

Answer. Boomer was building a road from Rock Island, north. He purchased the iron east, but on account of the times was not able to go on with the work, and I purchased the iron.

Question. Were those prices as low as the iron could be purchased at the two points mentioned?

Answer. I think so. The iron was American iron, weighing fifty pounds to the yard.

Question. How much, in round numbers, will that iron cost the government at this point?

Answer. Twenty-five thousand dollars and over.

Question. What will be the cost of constructing the road, without reference to damages, either to the city or to private property?

Answer. I cannot tell exactly. My estimate was, that perhaps the road, iron and all, would cost the government \$35,000.

Question. From that sum is to be deducted \$27,000, allowed by the Missouri road?

Answer. Yes, sir. I do not know that it will cost as much as that. I think I made the estimate large enough.

Question. Then the result of all your arrangements is, that this telegraph line is built by private enterprise without costing the government anything; that the North Missouri road furnishes the cross-ties for building the road, and pays for the iron by a credit upon its freight bills against the government, and that the real expense incurred by the government is only the construction of the road?

Answer. Yes, sir.

Question. What is the amount of the present indebtedness of the government, if you know, to the North Missouri road for transportation of freight?

Answer. I do not know; we are doing business over the road every day.

Question. What is the nature of the use to which the government applies that road now?

Answer. They use it for the conveyance of troops and munitions of war. We are sending out a regiment to-day upon that road.

Question. To what point?

Answer. I do not know; I believe to Mexico.

Question. What advantages are to result to the government from the construction of the connexions between these roads?

Answer. They will obviate the necessity of reshipment of troops, at this point, from one road to another; they will also save the cartage from steamboats to the road, and from the road to the steamboats,

since the road runs upon the levee. It will save a cartage of from one to two miles.

Question. Was any arrangement made with the city for the construction of this road over their streets?

Answer. None other than calling upon them and talking with them about the matter. They made no objection, and I got the city engineer to oversee the work.

Question. In your judgment, the construction of the road forming this connexion will not cost the government over \$8,000?

Answer. I do not think it will cost them as much as that, perhaps not over \$5,000.

Question. What is the cost to the government of the other connecting roads?

Answer. I represented to Frémont that at the outside it could not be over \$4,000.

Question. What was the actual cost?

Answer. I have not yet figured it up; the men are not yet paid.

Question. What do you pay for labor?

Answer. One dollar a day.

Question. Will the cost exceed \$4,000?

Answer. I do not think it will amount to \$3,000.

Question. Is it probable, however, that any large body of troops will be moved from the North Missouri road down the Iron Mountain road?

Answer. We have moved them both ways, and every way, since I have been here. It was for the purpose of facilitating the transportation of troops, munitions, and supplies, that the work was undertaken.

Question. Is there a written contract between the government and the North Missouri road?

Answer. There is.

Question. Is that under your control?

Answer. It is not.

Question. Who has the contract?

Answer. Judge Corwine drew up the contract, and I presume he has it.

Question. Is he in this city?

Answer. He is, generally, but he has been in Cincinnati for two or three days. I now remember that several parties whose property was used in laying down these roads were satisfied to have the roads laid down through their property, to remain during the war, or during the continuance of martial law.

Question. Will you furnish the committee with a copy of that contract and any accompanying papers?

Answer. I will.

In conformity to such request, the witness subsequently furnished papers, of which the following are copies:

ST. LOUIS, *September 11, 1861.*

SIR: At a meeting of the board of directors of the North Missouri Railroad Company, held this day, the following resolution was unanimously adopted:

“Resolved by the board, That the president and the Hon. James S. Rollins and Captain Andrew Harper be appointed a committee to confer with Major General Frémont on the subject of connecting the North Missouri railroad with the Pacific and Iron Mountain railroad at some point in the city of St. Louis.”

The committee will be pleased to wait upon General Frémont at such time as will suit his convenience, and a letter directed to me through the post office, or at the office of the North Missouri Railroad Company, will meet with prompt attention.

I am, sir, most respectfully, your obedient servant,

ISAAC H. STURGEON, *President.*

Major General FRÉMONT,
United States Army.

Memorandum of agreement, made this second day of October, A. D. one thousand eight hundred and sixty-one, between the government of the United States of America, of the one part, and the North Missouri railroad, of the other part, at Saint Louis, Missouri, witnesseth:

First. The government agrees to furnish all the iron and ties, and other materials, and do all the work necessary to connect with rails the tracks of the North Missouri railroad with Pacific and Iron Mountain railroads.

Second. In consideration of the premises aforesaid, said North Missouri railroad agrees to carry all the materials, rails, &c., and all the hands, and other persons engaged in said work, free of charge, whilst engaged on said work, over it, and allow said government the full cost of the iron and ties used for said road, out of the account of the government, that may become due, “after its construction,” said railroad company for transportation and other accounts.

Third. It is further agreed that if said government constructs a line of telegraph along said railroad from Saint Louis to Hudson, said railroad will pay towards the cost thereof the sum of five thousand (5,000) dollars, the same to be paid in transportation to be done for said government by said railroad after its erection.

In witness whereof, the parties hereto have hereunto set their hands and seals the date first written.

NORTH MISSOURI RAILROAD,
By ISAAC H. STURGEON, *President.*
EDWARD H. CASTLE,
Supervisor Railroads, Western Department.

ST. LOUIS, *October 26, 1861.*

FRANKLIN D. CALLENDER recalled.

Question. Did you have an interview with Captain Turnley in regard to a transfer to your department of \$100,000 in money from the quartermaster's department in this city? If so, state the whole of that transaction.

Answer. As well as I remember, two or three days before the accounts which were exhibited as paid in my testimony the other day, Mr. J. T. Howard, who seemed to be, at least, a friend of General Frémont's, and at headquarters, came down to my office, and we went over to my quarters, as I thought we would be interrupted at my office. I think this account of J. Pierpont Morgan, referred to as paid in my testimony the other day, was made out by him at that time in writing. This I am not absolutely certain of, but such is my impression. I heard him say afterwards that it was made out from a draft of this amount of money, and, as well as I remember, I suppose I may have casually seen that draft, or I may have had it in my hands. I think the draft must have been signed by Mr. Stevens, but of that I cannot be certain. I suppose the draft did not exhibit any charge for boxing or other charges, but was for the gross amount for the 2,500 carbines. Some bill may have exhibited charges for cost of boxing or other charges. I may have suggested that the account should exhibit the gross amount charged to the carbines, but of that I am not certain. I had no funds available at that time to pay this account, which was \$55,550 for the 2,500 carbines, as nearly as I remember, and as appears by a copy which I have. A day or two after that I received a telegraphic express to report myself at the headquarters of General Frémont. I went up there, and had an interview with Mr. Howard, and we went together down to Captain Turnley's quarters. Mr. Howard explained to me that, by the order or at the request of General Frémont, Captain Turnley would turn over to me \$100,000, with a view to paying, as I understood, certain amounts for arms. We saw Captain Turnley, and he turned over to me \$82,662 50, with which I paid the accounts referred to in my former testimony. Captain Turnley, as well as I remember, drew the checks for the amounts required, payable to my order, and I indorsed them.

Question. Will you state the connexion in which the name of Mr. Stevens occurs in this transaction?

Answer. The draft was drawn by Mr. Stevens upon General Frémont, and the reason Howard gave me why he wanted that particular account paid was, that he did not want to have that draft go back protested, and the same reason may have applied to the other two accounts.

Question. Who is J. T. Howard?

Answer. He is a gentleman whose acquaintance I made at General Frémont's headquarters. I think he represented himself as being a friend of General Frémont.

Question. Was he at the headquarters of General Frémont for any considerable length of time?

Answer. I think he must have been. I saw him there occasionally. He seemed to be interested in the arms which had been procured—not pecuniarily interested.

Question. Did you know Stevens?

Answer. I met Stevens after these accounts were paid. He came down to the arsenal, and I saw him there?

Question. Did he refer to the subject of these arms?

Answer. He referred to them, and had the boxes opened.

Question. How many of Hall's carbines were there in all?

Answer. 5,000.

Question. On what day did it appear that they were purchased by the government, if purchased at all?

Answer. It appears, so far as I know, by the date, August 7, 1861.

Question. Who purports to have sold them to the government?

Answer. According to the best information I have, J. Pierpont Morgan sold them to the government.

Question. Were they all included in one bill which was presented to you, or were there two bills?

Answer. I judge from these accounts that two different bills were presented, and that the arms were received at two different times.

Question. Did not both bills bear the same date?

Answer. Yes, sir.

Question. Upon what day was the bill for just 2,500 carbines, and nothing more, paid by you?

Answer. That bill was paid for by me on the 0th of September.

Question. Was there an order attached to the bill for the 2,500 carbines only, and were you directed by General Frémont to pay it?

Answer. Yes, sir.

Question. Will you furnish a copy of that bill, with all the evidences of its correctness and payment?

Answer. I will.

The following is a copy of the bill as subsequently furnished by the witness :

FORM No. 13.

The United States to J. Pierpont Morgan, Dr.

August 7, 1861.—2,500 Hall's rifled carbines \$55,550

I certify that the above account is correct and just, amounting to ——— dollars and ——— cents, ———, 18 .

These arms have been duly received.

F. D. CALLENDER.

Captain Ordnance United States Army.

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, September 9, 1861.

The ordnance specified in the above account was purchased by my order for the troops under my command. Captain Callender, ordnance department, will pay the account.

J. C. FRÉMONT,
Major General, Commanding.

SEPTEMBER 9, 1861.

Not paid for want of funds.

F. D. CALLENDER,
Captain Ordnance United States Army.

Paid September 10, 1861.

F. D. CALLENDER,
Captain Ordnance.

ST. LOUIS, Missouri, September 10, 1861.

Received from Captain F. D. Callender, of ordnance, fifty-five thousand five hundred and fifty dollars, in full of the above account.
[Signed duplicates.]

J. PIERPONT MORGAN,
By his attorney, J. T. HOWARD.

Question. Will you furnish a copy of the bill for the other 2,500 carbines which have not yet been paid for?

Answer. Yes, sir; it is here.

The following is a copy of the bill :

FORM No. 13.

The United States to J. Pierpont Morgan, Dr.

	Ordnance stores.	
1861.		
August 7.	2,500 Hall's carbines, at \$22.....	\$55,000 00
	5,000 screwdrivers, at 25 cents.....	1,250 00
	5,000 wipers, at 20 cents.....	1,000 00
	500 spring vises, at 35 cents.....	175 00
	500 bullet-moulds, at 50 cents.....	250 00
	125 packing boxes, at \$4.....	500 00
		58,175 00

I certify that the above account is correct and just, amounting to ——— dollars and — cents, ———, 1861.

The annexed-named ordnance stores have been received in good order.

F. D. CALLENDER,
Captain Ordnance United States Army.

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, September 26, 1861.

The above ordnance was purchased by me for the troops under my command. Captain Callender, ordnance department, will pay the account.

SEPTEMBER 26, 1861.

Not paid for want of funds.

F. D. CALLENDER,
Captain Ordnance United States Army.

_____, _____, 18 .

Received from _____, _____ dollars — cents, in full of the above account.
[Signed duplicates.]

This copy I have furnished is as near a copy as I can give the committee. It was taken merely as a memorandum to assist my recollection.

Question. Who has possession of the original?

Answer. I cannot tell; I suppose, of course, it must have gone to Mr. Morgan, or it may be in the hands of some agent for collection.

Question. To whom did you deliver it?

Answer. I cannot positively say, but most likely to Mr. Howard.

Question. How did it happen that General Frémont's name was not signed to the order of payment?

Answer. The payment had not been made, nor would it be paid until his order was attached to the order.

Question. How does it happen that his name is not attached to the order?

Answer. I can only say that the account was put into this shape to get it into the process of adjustment, according, I suppose, to the wishes of General Frémont and those about him.

Question. What conversation did you ever have with Mr. Stevens in relation to that last account for 2,500 carbines, and other articles therein named, amounting to \$58,175?

Answer. Mr. Stevens came to the arsenal and exhibited to me a letter from Captain Whiteley. That letter I have not been able to find. I understand the prices contained in that bill for the items of screwdrivers, vises, bullet-moulds, &c., were taken from prices named in that letter, and as the prices at which the government had originally sold the same articles. Something was also said in the letter about boxes for which the government had made a certain charge. Those items were included in the account on the exhibition of that letter, and agreeably to the wishes of Mr. Stevens.

Question. Then you saw Stevens before this account for \$58,175 was made out?

Answer. I am not sure. I think it may have been partly made out, and that it still remained in my custody.

Question. What interest did Stevens seem to have in the transaction?

Answer. I can hardly tell. I understood he was a member of General Frémont's staff, and that he was making purchases by the general's order.

Question. If he was making these purchases for General Frémont, and by his order, why was it necessary to make any explanation at all as to the prices at which those articles had been sold by the government in order to procure their insertion in the account?

Answer. According to my view of the matter, they ought properly to have gone into the account.

Question. Did you ever see a man by the name of J. Pierpont Morgan, or ever have any communication with him?

Answer. I have never had any communication with him in person that I know of.

Question. Did Stevens call upon you more than once in relation to this matter?

Answer. I may have seen him a second time, and I probably did.

Question. What seemed to be the particular object of his visit to you the first time?

Answer. He came down that time with two or three other officers to get a sword. I was issuing swords to some of General Frémont's staff. He was among the number, and he took one.

Question. Were the officers of General Frémont's staff entitled to swords at the expese of the government?

Answer. No, sir; but according to the regulations of the army I am authorized to sell arms to the officers on their paying the cost price.

Question. Were the arms furnished to General Frémont's staff paid for, or were they delivered to them upon the general's order?

Answer. As a general thing, they were not paid for, but delivered upon his orders, express or implied.

Question. Were the swords delivered upon this particular occasion when Stevens came there with the other officers paid for?

Answer. No, sir.

Question. Did Stevens ever return his sword?

Answer. I do not remember whether he did or not. I think he spoke of returning it. But I did not care to be at the trouble of doing anything more about it, as it involved the making out of new papers, or the changing of the old ones. He may have left it at headquarters, or turned it over to other staff officers.

Question. Did Stevens subsequently tell you he was not a member of General Fremont's staff?

Answer. I think he did.

Question. And in that connexion spoke of returning the sword?

Answer. I presume so.

Question. On that occasion did he refer to this bill for Hall's carbines?

Answer. I think that reference was upon the first visit.

Question. Did he mention the matter upon the second visit?

Answer. I cannot tell. I remember now that upon the delivery of that sword to Mr. Stevens I got the receipt of Colonel Woods for all three of the swords I delivered upon that occasion. I wish to add that I returned \$5,000 of that money to Captain Turnley.

St. Louis, *October 26, 1861.*

DAVID PRATT, being duly sworn, was examined as follows:

Question. Where is your residence?

Answer. New York city.

Question. Have you been in St. Louis any length of time?

Answer. About six weeks.

Question. Have you any contracts with the government?

Answer. No, sir. Within a week I have sold directly to the government shoes, but not under contract.

Question. Do you know anything about the manner in which a commission or an order was obtained by Governor Barstow, of Wisconsin, to raise a regiment of cavalry to join General Frémont's army.

Answer. I suppose I do.

Question. Be good enough to state all you know about that matter.

Answer. It seems to me that Governor Barstow had been here some time making efforts to gain a colonelcy commission, all of which became known to me, seeing him every day here at the Planters' House. At length, after being here three or four weeks, he said to me he could not get that colonelcy. Says I, "governor, there is a man in this house who can get it for you." I stated to him that it was Judge Edward P. Cowles, formerly judge in the State of New York, and resident of the city of New York. Said he, "I wish you would empower the judge to go and get that commission for me. If the judge will get that commission I will give him \$5,000." So I went to the judge: says I, "judge, your neighbor Barstow, up stairs, is ambitious for distinction, and wants a colonelcy. He says if you will go up to the Tycoon and get that commission he will give you \$5,000." He went, and the commission came down soon after.

Question. Who was the Tycoon referred to, and where did he have his local habitation?

Answer. I suppose he meant headquarters. That was a certain Friday night or Saturday night previous to General Frémont's going into the field. Cowles went up to see General Frémont, and word was sent back to him that General Frémont was too busy then to be seen. He then suggested to the governor that he had better join the train with himself and General Frémont, and there would be an opportunity on board the train to discuss and settle the question. They started Sunday morning, and the governor went to the cars to join them, but he returned, saying that he did not like the complexion of the crowd, and that he concluded he would not go. On the Monday following the governor received his commission, or rather Monday night—a telegraphic communication came to Barstow from Cowles, saying that his commission was issued, and that it had been mailed to his residence in Wisconsin.

Question. Was that all the communication between Barstow and Cowles in reference to that commission?

Answer. That is all to my knowledge.

Question. Has the \$5,000 been paid?

Answer. It has not.

Question. Why did you say to Barstow that Cowles could get this commission for \$5,000?

Answer. When I say that I never knew what his business was, it is strictly true; but I knew at the same time that he was backwards and forwards to the headquarters every day, and was in Quartermaster McKinstry's room every night; they roomed on the same floor at the hotel. I knew the judge was in some way interested with General McKinstry. What his relation was I did not know. I know on one occasion, two or three days before the army went into the field, I was in McKinstry's room, and Cowles took up his travelling coat, which was ornamented as that of an officer. I observed to him, "judge, you are going into the field I presume as grand marshal." "Well," says he, "I am going." I only knew of the fact of his familiarity with McKinstry and Frémont from some circumstances like those I have mentioned. I knew Judge Cowles would not be here running backwards and forwards unless he had some interest here.

Question. Do you know whether he held any official position under Frémont?

Answer. I do not.

Question. He had his military coat on?

Answer. He exhibited it, but he did not have it on.

Question. Did you have any conversation with Judge Cowles after his return from going out with General Frémont?

Answer. No, sir; no more than to meet him in a hall, when I observed, "you gratified my friend here in promptly forwarding his commission."

Question. What reply did Cowles make to that?

Answer. He said he was glad he was gratified.

Question. It was a perfect understanding, was it not, that he was to obtain this commission for the consideration you have mentioned?

Answer. Yes, sir.

Question. He did obtain it?

Answer. He fulfilled his part of the contract. The governor said, "I want you to go to the judge in a business way. I want you to make this a matter of business." Then he added further, "you are here representing Tomes & Son, in Maiden Lane, and we shall want some sabres, carbines, and all such equipments as Tomes furnishes—cavalry equipments." I told him I would give him a letter to the house; that I was here selling goods, and that they allowed me a commission of five per cent. upon all the goods I sold for them; that is, the regular street commission; but they never sold him any goods.

Question. Did he agree to take those goods, and did you make his refusal afterwards to take them so much a matter of complaint as to write him a letter?

Answer. I see you have been to the post office. The whole history of my connexion with Governor Barstow I have already stated up to the letter part. The evening before Barstow went away, feeling very happy over his commission, he said: "Pratt, you will meet me, on your return to New York, at Chicago, and I will join you there; or rather, when you get to Chicago, come up to my house in

Janesville and spend the Sabbath with me, and I will go on to New York with you, and we will then and there go into your house and see about those matters." I told him if our house could not furnish those articles they wanted as cheap as any other house, he could go elsewhere; that the city was open before him. That was understood. At the same time, while such was the understanding, there was a man in the army in our presence with whom I knew, to a moral certainty, that he had an arrangement for the same thing; yet I had no legal proof of it, but a feeling that it was so. Well, we separated on that, and I stepped across the hall to my room, as it was quite late and I was pretty tired. In the morning, when Barstow went off, at 5 o'clock, he rapped me up to bid me good bye, saying, at the same time, "I shall see you at my house." "No," says I, "I do not think you will." He had left the window of his room open, and mine was open all night. My bed standing close to the door, I overheard his low octaves as he and his friend, who occupied the same room, made their arrangements. He and his friend, Coats, adjusted all that matter. The principal part of the conversation I could distinguish—enough to keep the thread of the conversation. Coats was to furnish the arms, and he was also to furnish the clothing. They had priced some clothing here in town that afternoon. Coats also made him agree that he would appoint him quartermaster of the regiment, which was to be raised in Wisconsin. So far all was settled in that way. I got so much of that part of the conversation as to keep the run of it. Sometimes a sentence would so taper off that I could not get the whole of it.

Question. Did you hear them make any calculation as to the amount they could probably make out of equipping the regiment?

Answer. I did.

Question. State what you heard.

Answer. I do not believe I can state the matter fully. I could have done it a few days afterwards, but I have not thought of it lately. My recollection is, that they concluded that they could make two and a half or three dollars upon each overcoat, and on a suit outside of the overcoat also three dollars. On the hats and caps they said they could not make anything. I am altogether at a loss about the arms.

Question. According to your recollection, was the subject of arms mentioned in that conversation?

Answer. I think it was, but my recollection is not distinct as to what they thought they could make. I think it was not settled. I think they had not got along far enough in their knowledge of the prices of arms to determine what profits could be made.

Question. Was anything said about horses?

Answer. No, sir; he had discussed with me the question of horses all along.

Question. What did he tell you?

Question. He told me he could go home and purchase those horses in his own neighborhood, and raise the regiment in a trice; and, in the second place, he could get those horses for from \$75 to \$95 apiece,

or perhaps once in a while at \$100. He could purchase them at about an average of \$80.

Question. At what price did you understand he proposed to put them in to the government for?

Answer. The regular price, \$119. When he sent me to Judge Cowles, he said he could afford to pay him \$5,000, for he would make a good thing out of the difference in the price at which he purchased horses, and the price at which he turned them in to the government. Says I, "governor, according to your own statement the profit of twenty dollars on a thousand horses will be \$20,000." "Well," he said, "twenty or thirty thousand dollars can be made out of the horses."

Question. Was that all the conversation you had with him about the matter?

Answer. Yes, sir.

Question. Explain the matter of the letter?

Answer. I will. I did not feel in the slightest degree aggrieved, nor do I now, but I will explain the feeling which induced me to send the letter. When he was inducing me to come up to Janesville on my way to New York, and I knew all the time that he had another arrangement already made, I felt that I did not like to be imposed upon by him without letting him know that I was informed of all his transactions. That induced me to write him a note.

Question. Have you a copy of that letter?

Answer. I have it in my possession, but it is not here.

Question. What was the purport of it?

Answer. It was brief. I told him I had held myself to be a pretty good judge of men and things; that I had set him down as a good fellow, but I discovered that I had been sold, and that the only object of the communication was to notify him of the fact that I had discovered that I was sold.

Question. How long ago was that?

Answer. It was as long ago as when Frémont went into the field.

Question. About what time?

Answer. About a month ago.

Question. Is this the only transaction of the kind you know anything about?

Answer. It is.

Question. You have stated that you have furnished shoes to the government. When, and upon what terms, and to whom were they furnished?

Answer. I have furnished, in all, 8,400 pairs.

Question. Sewed or pegged?

Answer. Double-soled pegged brogans.

Question. At what price?

Answer. Seven thousand nine hundred pairs at \$1 57 each, and the remainder at \$1 50.

Question. To whom were they furnished?

Answer. To Major Allen, the present quartermaster here.

Question. Where are they delivered?

Answer. They are delivered here. They had a requisition come in the other day, and they are in a great haste for the shoes.

Question. What is their quality?

Answer. They are shoes which are worth about $33\frac{1}{3}$ per cent. more than the shoes which have been sold to the government for \$1 75 in this department since the commencement of this war. They are warranted to be double-soled first quality brogans.

St. LOUIS, *October 26, 1861.*

GEORGE W. COCHRAN, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In Cincinnati.

Question. What is your business?

Answer. I am in the real estate and produce business.

Question. State whether you have at any time heretofore been connected with the hay business.

Answer. I have been connected with the hay business, more or less, for the last 25 years.

Question. State what knowledge you have, if any, of the recent contract entered into by the government with certain parties at the city for the delivery of hay for the use of the government at St. Louis and elsewhere?

Answer. I understood some months ago, when General Frémont commenced organizing the western department, that they would want a large amount of hay and corn; and as I had been engaged in that business, and had a considerable amount on hand of my own raising, I was anxious to make a contract to sell my hay, as well as that of my neighbors, to the government, I applied to Judge Corwine, upon General Frémont's staff. I wrote to him to know if the government was not going to buy hay. He replied that they did. I informed him that I would like to furnish the hay. He told me, if I wanted to make a contract, that I had better make a proposition to the quartermaster here to furnish such articles as I desired. He told me, further, that if I did not want to come to St. Louis, if I would send my papers to him he would file them. I made out a proposition for hay, corn, and oats—more especially hay. At the time I made the proposition I did not know the value of corn and oats here, but I did know the value of hay upon the Ohio river, and knew what I could deliver it here for. I made out a proposition in writing and sent it on to Mr. Corwine. I wrote him a letter also, telling him to let me know whether or not it was necessary for me to come to St. Louis. He answered my letter, and told me he would file my proposition, but he did not tell me to come to St. Louis, still I thought I would come to St. Louis and look after the matter myself. It so happened that I got here about ten o'clock in the morning of the day upon which the bids were to be opened and the contract awarded. I did not, however, know, until I reached here, that there had been an advertise-

ment for proposals. I went to Corwine and inquired if he had filed my proposition. He said he had, and that he had filed it a week before that. I went to the quartermaster's department, and they told me it had not been filed. I went back to Corwine again, and he said it had been filed, for he filed it himself at the quartermaster's department. He went down to the quartermaster's department, at Frémont's headquarters, and got it from the files. He brought the proposition to me, indorsed on the back, stating that it was filed on a certain day, in order to show me that it had been filed as he stated. I went back again to the office of the quartermaster. McKinstry was not in, but his head clerk was. His name I do not remember. He told me that McKinstry had been there and had told him that they could not accept any bids which had not been deposited in that place. This was the evening of the same day on which the bids were opened. The contract was not closed for three days after that. I remained until the contract was closed and signed by Mr. Holmes.

Question. Did you at that time explain how it happened that your proposition was filed at Quartermaster Davis's office, at headquarters?

Answer. I did, but the clerk told me he had nothing to do with it; that it was all in the hands of McKinstry, and that he would have to do as McKinstry decided.

Question. To whom was the contract awarded.

Answer. It was awarded in the first instance to men by the name of A. H. Smith and S. H. Whitmore, of Cincinnati.

Question. At what price?

Answer. At \$18 a ton. I went to the clerk afterwards, and asked him whether the contract was awarded. He said he had found a bid from a man by the name of Smith—another Smith—which was lower than \$18. I inquired who the Smith was, and I found out he was a man from Cincinnati. This Smith had put in a bid for a man by the name of Lamb, of Springfield, Illinois, as I found out afterwards. Mr. Lamb told me that his bid was \$17 90 a ton. A gentleman at the office told me that they refused to accept his bids because he had dictated the terms of delivery. They wanted that privilege themselves. The following day the clerk told me he had found another bid that was below \$18—a bid for \$17 95—made by a man by the name of Holmes, of Illinois. There was a good deal of dissatisfaction on the part of Smith, Whitmore, and others, because that bid was not opened and read. They said there was no bid from Holmes, for if there had been they would have heard it read. They made a fuss about it. McKinstry remarked that they would re-advertise, and open the bids on the 30th at 12 o'clock. The next day I went in again and inquired about it of the same clerk, and he told me that Captain Turnley had settled on letting the contract to Holmes, and that he would not re-advertise.

Question. What was Holmes's bid, as you understood?

Answer. They said it was \$17 95.

Question. Did you explain to the clerk, or to McKinstry, or to both, the manner in which you had filed your bid?

Answer. I explained to the clerk, but I did not to McKinstry, be-

cause he would not talk to me. Corwine told me he told McKinstry he wanted to show him that he had filed my bid where it ought to be filed. McKinstry said he did not care a damn, and he paid no attention to what Corwine said.

Question. Do you know who were interested with Holmes in that contract?

Answer. He told me that Governor Wood, Henning & Woodruff, and another man, were interested with him; that there were four parties with himself.

Question. What amount of hay was to be delivered under the contract?

Answer. Not to exceed 10,000 tons.

Question. What was your bid?

Answer. It was \$17 a ton for hay delivered at St. Louis, and \$16 delivered at Cairo.

Question. For how much was the bid awarded to Holmes?

Answer. \$17 95 per ton. Here is the advertisement.

“Proposals for forage.”

“Proposals are invited for furnishing forage. The quantity to be supplied will be about 160,000 bushels of oats, and 160,000 bushels of shelled corn, and 10,000 tons of hay, all to be delivered by the end of March, 1862. Grain to be in sacks. The delivery to be in such quantities per month as may be directed by the quartermaster; the total quantity not to exceed those above specified.

“All the forage to be delivered at such storehouses or depots as the quartermaster may provide in and around the city of St. Louis, within two and a half miles of the court-house.

“Proposals should be addressed to the chief quartermaster of the western department, at St. Louis, and should be indorsed ‘Proposals for forage.’

“Proposals will be opened at noon on the 25th day of September, 1861, at the office of the said chief quartermaster, in the presence of bidders, and the contracts will be awarded to the lowest bidders who give satisfactory security. Bids will be received for the whole or any part of the above.

“M. C. MEIGS,

“Quartermaster General U. S. A.”

Question. How do you know that Governor Wood is interested in that contract?

Answer. He told me that he was.

Question. Did you make any effort to buy out that contract after it was made?

Answer. Yes, sir.

Question. What effort did you make?

Answer. I offered \$10,000 for the contract.

Question. To whom did you make that offer?

Answer. To Woods and Holmes?

Question. Were they willing to sell upon those terms?

Answer. No, sir.

Question. Upon what terms were they willing to sell?

Answer. Holmes said he expected to make \$60,000 out of it.

Question. Do you know whether, under that contract, hay is being delivered anywhere else than in this city?

Answer. I do not. I went up to the quartermaster's department to-day to get a contract to deliver hay at Cairo, and they told me that these parties had been there, and that Captain Turnley had directed them to go on and deliver what hay was needed down there at the same price.

Question. At what price can hay be delivered at Cairo now.

Answer. For \$15 a ton.

Question. What did you propose to deliver it there for?

Answer. \$16 a ton was my proposition. When I made that proposition, it was made with reference to running the hay in upon railroad, instead of by the river. I expected that local navigation would be suspended, and that I could not use the river for transportation. I could have delivered hay, either here or at Cairo, by water, at less price than I proposed.

Question. Did you state to any one at the quartermaster's department what you could afford to furnish hay for.

Answer. Yes, sir. All that was set forth in my proposition, as well as the weight and size of the bales, and the fact that a great saving is made to the government on hay put up in the form in which I put it up. I also stated the same fact to those with me at the time the contract was awarded.

Question. Did you state to Captain Turnley to-day at what price you could afford to deliver hay at Cairo?

Answer. Yes, sir; and he bluffed me square off, and I said nothing more.

Question. Have you any knowledge of the amount of hay which will be needed by the army at Cairo?

Answer. No, sir; only from representations made to me.

Question. What are those representations?

Answer. One quartermaster said they would need 20,000 tons before the war is over; another placed the amount at 1,000 tons; and another at 500.

Question. At what price can the best quality of hay be now delivered in this city?

Answer. At about \$13 a ton.

Question. Have you seen any of the hay which is being turned in under this contract?

Answer. Yes, sir; I have seen the hay which is being delivered to the government.

Question. What is the quality of the hay?

Answer. A portion of the hay I saw at the depot was very indifferent; it was pressed with ropes and the bales were very large. I saw some down by the river which was pressed very well, and it was very

good hay, but I do not know whether that hay was going to the government.

Question. What was that hay at the depot worth per ton?

Answer. It was quite a poor quality. I was told by men here that just previous to the letting hay was run up here for the purpose of getting a big contract; that it was run up from \$12 to \$18 a ton. When I came here it was worth \$17 a ton under that influence. The next day after the contract was made hay ran down to \$16 a ton. While they were closing the contract, I told those men that I was going to contest the awarding of the contract; that the award was unfair; and that my bid should have been considered. Holmes said: "I will give you a chance to put in some hay under that contract." I told him I had some hay to sell. Before he signed the contract, he told me that \$16 a ton was about what he was going to give me for hay delivered here; but after he signed the contract he would not make any offer, but he would think about it and let me know. After I went home I received a note from Henning & Woodruff, requesting me to deliver 12 tons of hay in the warehouse here.

Question. Tell me, so far as you know, the residences and business of the men who are connected with this contract.

Answer. I do not know Holmes at all, except from the slight acquaintance I formed with him here.

Question. Who are Henning & Woodruff?

Answer. They are commission merchants in this city.

Question. Who is Governor Wood?

Answer. I do not know him. I understand he lives in Chicago; formerly at Quincy.

Question. Did all these parties sign the contract?

Answer. Yes, sir. I looked at the contract, and I believe all their names are upon it.

Question. Were you ready to give the necessary security for carrying out the proposition you made to furnish hay at \$17 a ton?

Answer. Yes, sir. I had the security all ready here.

Question. What, in your judgment, is the difference per ton between the present price of hay delivered on this contract at Cairo, and the price at which the government could purchase hay at that point at this time?

Answer. In the first place, I consider that hay on the Ohio river is worth more than three dollars a ton more than the hay I have seen on this wharf, on account of its being closely pressed there and very lightly pressed here. There you can put upon a wagon almost as heavy a load of hay, in small compass, as you could of flour. I observed at the time I was here to get a contract that three bales of hay would fill a wagon full, and they weigh only 175 pounds each. Our bales weigh from 375 to 400 pounds each, and we can put six bales in one of these common body wagons.

Question. At a fair estimate, then, taking everything into consideration, what would the government lose per ton by delivering that hay

under this contract at Cairo at \$17 95 per ton, instead of buying it at that point?

Answer. I can deliver hay under contract at Cairo, in any quantities, at \$15 per ton; which would be a saving of three dollars per ton, lacking five cents. That would be the saving to the government without reference to the quality of the hay and the size of the bales.

Question. According to that, your bid at the time you made it would be two dollars more than you would put it in at now?

Answer. Yes, sir. The freight I then expected to pay was railroad freight, which would be much more than the freight upon the river. Since the bid was made matters have changed, and we can now send hay by the river.

Question. If you had got the contract to furnish hay at Cairo at \$16 per ton, expecting to take it there by railroad, and it turned out that you could take it by water, would you have deducted the difference in freight?

Answer. No, sir; I do not think I should.

Question. Why did you put in a bid to deliver hay at Cairo?

Answer. I put in the bid without reference to the advertisement, for I did not know of any advertisement until I came up here on the day the bids were opened. I made a general bid to furnish all the hay they wanted delivered at this point and at Cairo. Captain Turnley told me to-day that he told those parties to go on and deliver hay at Cairo upon the same terms that they were delivering in St. Louis.

Question. If you had seen the advertisement you would have put your bid in at the same price, according to the advertisement?

Answer. Yes, sir.

Question. Was your bid before the quartermaster's department, even according to the requirements of McKinstry himself, before the time when it was said that this bid of Holmes was discovered?

Answer. It was filed a week or ten days before that time at Frémont's headquarters.

Question. Was McKinstry notified of the fact of your proposition having been filed in the other quartermaster's department instead of in his, with the intention of filing it in his before the proposition of Holmes sprung up, upon which the contract was awarded?

Answer. Yes, sir.

Question. Do you know that Holmes's bid was not in at the time?

Answer. I do not know that fact.

Question. Was Holmes here?

Answer. I saw Holmes after the bid was said to be awarded to him, but I did not see him before. I told him I had put in a bid at \$17, and that in justice I was entitled to the contract. He had heard about my bid being down at the other quartermaster's office. He said it was not in the right place.

Question. At how many different places did you understand that bids were filed?

Answer. I was told that they were filed at three different places, and that five or six were opened which were left at the place where

mine was filed. Theirs were sealed up; mine was not, but was an open bid.

Question. Besides that place and McKinstry's office, where else did you understand that bids were filed?

Answer. I do not know what other place, though I heard parties talk about there being another place.

ST. LOUIS, *October 28, 1861.*

JAMES B. EADS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a boat-builder.

Question. State whether you have any contracts with the government; and if so, what.

Answer. I have a contract for building seven gunboats.

Question. With whom was the contract made?

Answer. With Brigadier General Meigs, quartermaster general United States army.

Question. State the substance of that contract.

Answer. The contract is to build seven gunboats complete, ready for their armament.

Question. At what price, and to be finished at what time?

Answer. At \$89,000 each, with a provision for extra work to be paid for.

Question. Estimated by whom?

Answer. The contract does not say.

Question. How is it to be estimated?

Answer. I presume by competent persons—either the superintendent appointed over the engine department, or the one over the hull department, as I suppose they are competent persons. There will be a considerable amount of extra work.

Question. Of what character?

Answer. I suppose there will be forty-five tons of iron plating put upon each boat extra.

Question. Does the contract provide for the iron plating?

Answer. It provides for seventy-five tons to each boat.

Question. And the additional forty-five tons is to be estimated for and paid by the government?

Answer. Yes, sir.

Question. Is there any other extra work?

Answer. The superintendents have made alterations in the hulls, and extra work has been put upon them.

Question. Is there any provision in the contract for that?

Answer. The contract provides that all extra work shall be estimated and paid for.

Question. The superintendents have changed the original plan?

Answer. Not exactly; but where the specifications were not sufficiently full in details, they have made slight modifications for the purpose of making the vessels stronger. For instance, they have increased the strength by putting on extra iron plating and extra spiking.

Question. Have all the changes been made under the direction of the superintendent?

Answer. Yes, sir; and generally under the direction or suggestion of some of the naval officers. I put into the contract myself the clause that the government should furnish a superintendent, whose duty it should be to pass upon the material as the work progressed.

Question. Has that superintendent been here?

Answer. Yes, sir—one for the engine, and one for the wood work. I did that so that after the work was completed the government should have no right to say that this work or this material was not good. My sub-contracts with mills, foundries, and machine shops, were made upon condition that their work should pass inspection.

Question. Have they been here to inspect all the materials and work as the work progressed from day to day?

Answer. Yes, sir.

Question. What will the extra work upon each boat amount to?

Answer. Probably \$12,000.

Question. What is the provision of the contract in relation to time of completing the work?

Answer. My bid was for completing them in sixty-six days. My bid was put in the first of August, and I agreed to finish them by the 5th of October. But the contract was not awarded to me until the 5th of August, and then the 10th of October was specified for the completion of the boats. And then the contract was not closed until the 7th of August, and I requested General Meigs to include two more days, but it was not done, he remarking that the government was always lenient to its faithful contractors. So the 10th of October was the day fixed for the completion of the work, under a forfeiture of \$250 a day for each day beyond that time.

Question. Has any one of the boats been completed yet?

Answer. No, sir; by the terms of the contract the government was to furnish me money every twenty days.

Question. Has the government performed its part of the contract?

Answer. It has not. The first payment was not made until forty-five days after signing the contract.

Question. When was the first payment due to you, and how much was it?

Answer. In twenty days after signing the contract, but it was not paid until twenty-five days thereafter.

Question. How long did the second payment run by?

Answer. About twenty-two days, and the third payment about twelve days.

Question. Is there another payment due?

Answer. The fourth payment is now twenty-eight days past due,

and the fifth payment is twenty-one days past due. On Friday I notified General Meigs that I should suspend the work of 700 men at this point and 300 men at Mound City for want of funds. I telegraphed to the Attorney General to the same effect. He replied that the Secretary of the Treasury assured him that the money had been sent to G. D. Wise, quartermaster of the gunboat service, on the 17th of October. I telegraphed to the Attorney General to see the Secretary of the Treasury, and get him to instruct the sub-treasurer here to pay the money, for the drafts had not come to hand ; otherwise I should be compelled to stop my work. Thereupon, on Saturday night, the sub-treasurer was telegraphed to by Secretary Chase to pay the money.

Question. How much?

Answer. \$222,751.

Question. Does that pay up all that is due?

Answer. No, sir.

Question. How much is behind?

Answer. I was entitled to another payment last Saturday.

Question. It did pay up to last Saturday, then?

Answer. It would, according to the estimates of the superintendent.

Question. Have those delays in payment by the government delayed your work?

Answer. Yes, sir. They have delayed me beyond computation ; for, instead of being able to superintend the work, and pushing it with that degree of energy which the shortness of the time absolutely required, I have been obliged to spend my time in running around borrowing money of the banks, and everything of that kind.

Question. Did your contract embrace the tug-boat Benton?

Answer. No, sir. I would state, further, that I have been delayed also in the completion of this work by the steamboats and barges which I had employed in bringing me lumber from the Ohio river being taken by the government at Cape Girardeau for the purpose of transporting two regiments of troops to Bird's Point, and also by the placing of the gunboat Tyler upon the ways at Mound City, thereby delaying my superintendent there in building the three boats which are being built at that point upon those ways.

Question. Was that a government gunboat?

Answer. Yes, sir ; the ways were not mine, but I had the contract of them.

Question. Who is the superintendent for the construction of the hulls?

Answer. Captain John Litherberry.

Question. Of what service?

Answer. He was appointed by Captain John Rodgers, formerly in command of the gunboat service here.

Question. Is he an army officer?

Answer. No, sir.

Question. Where was he at the time of his appointment?

Answer. At Cincinnati.

Question. Is he superintending the construction of all the hulls here and at Mound City?

Answer. Yes, sir.

Question. Has he been giving the business his personal attention?

Answer. Yes, sir.

Question. Who is superintendent of the machinery?

Answer. Mr. Thomas Merritt.

Question. By whom was he appointed, and where does he reside?

Answer. He was appointed by Brigadier General Meigs at Washington.

Question. Does the contract specify the amount of iron sheathing which shall be put upon each boat?

Answer. No, sir. It says seventy-five tons of sheathing iron has been estimated for each hull, or is to be included in the estimate.

Question. And you put on each forty-five additional tons?

Answer. Yes, sir.

Question. By whose order?

Answer. By order of Captain John Rodgers, of the United States navy.

Question. Where has Captain John Rodgers been giving this business his personal attention, and where is he now?

Answer. He was in charge of the gunboat service here, but he was subsequently ordered to report himself at Washington. I do not know where he is now.

Question. Are you proposing to charge for this 45 tons the same price as is paid for that which is estimated for in the contract?

Answer. Yes, sir.

Question. State what alterations have been made in the hulls of the vessels.

Answer. The alterations are generally matters of minor importance—such, for instance, as altering the coamings for the hatches, where the hatches had been put down in the deck, and they were found to be in the way of the gun-carriages. The position of the port-holes also have been changed by direction of the superintendent, under direction of the ordnance office of the flotilla.

Question. Does the contract specify exactly where the port-holes and hatches should be constructed?

Answer. Yes, sir.

Question. Who was interested in that contract besides yourself?

Answer. Albert Pierce, Oliver B. Filley, and Martin Bates.

Question. Are all of them residents of this city?

Answer. All except Bates, who resides in St. Charles county, in this State.

Question. What do you know about the boat Benton? Is she a gunboat, and by whom is she being constructed?

Answer. She is being constructed by myself, under orders of General Fremont.

Question. What is the nature of the contract under which you are constructing that vessel?

Answer. Early in August last, on my return from Washington

with a contract for building these seven boats, and while the gunboats constructed in the Ohio river, at Cincinnati, by order of Captain John Rogers, were aground, General Frémont sent for me to know if I knew of any boat that could be readily converted into a gunboat. He first desired to know how soon I was to finish these seven boats; on my replying in 66 days, he said that would not answer his purposes, and then made the inquiry I have stated. I told him that the "Submarine, No. 7," belonging to the wrecking company, was better suited to that purpose than any other boat of which I had any knowledge. I stated that Captain John Rogers was sent to the west last May to examine that boat with a view of purchasing and turning her into a gunboat, and that he declined to buy her under the impression that she was old and rotten. In that opinion I felt satisfied he was mistaken, and I suggested to General Frémont, if he had any intention of buying her, that she should be examined by competent parties. He ordered a survey to be made and an inspection by Captain Abel, superintendent of the United States western steamboats. On his report that the boat was sound and would make a good gunboat, General Frémont decided to purchase her. I requested him, as a personal favor to me, that the boat should be taken upon the appraisement of parties under oath, and stated my reason to be that I owned a small interest in the wrecking company, and desired to avoid any possibility of being charged with complicity in selling any property to the government at an unfair price. He thereupon instructed Brigadier General McKinstry, quartermaster here, to have her appraised at her cash value. The latter directed Captain Abel to have her appraised by parties under oath. The parties selected by Captain Abel as appraisers were Captain H. Carroll, an old New Orleans and St. Louis steamboat man; Mr. Crozier, of the firm of Renfrew, Crozier & Co., engine builders; and Mr. Thomas Morse, boat-builder. They appraised her, with all her machinery, tackle, and everything on board, at \$26,800, and verified their appraisement under oath; that appraisement was made probably three or four weeks after my first interview with General Frémont. The death of General Lyon intervened in the meantime, and the delay in the matter was caused by the pressure of business in this department, so that General Frémont could not sooner attend to it. After the appraisal she was ordered to my boat yard for alteration, and General Frémont directed me to proceed at once to convert her into a gunboat, giving me a *carte blanche* to do the same according to my best judgment. Since that time I have learned that General Meigs, on his return to Washington, laid a formal charge before the cabinet that I had sold this boat to General Frémont at an outrageous price, and that she was old and perfectly rotten. Since I learned that fact I called upon the inspector of hulls of the board of underwriters here; John Litherberry, the superintendent of the hulls of the seven gunboats now building; John D. Daggett, owner of the sectional docks; Thomas T. Morse, superintendent of docks; and Mr. Samuel Hamilton, steamboat builder of Cincinnati, Ohio, to make a careful inspection of the hull of said boat. After such inspection, they furnished me with a certificate to the effect that

the boat was perfectly sound, free from rot, strongly fastened, and seaworthy. I wrote to General Frémont to state the facts connected with my sale of the boat to the government, and he replied in a letter stating in substance the facts which I have just given you. I also called upon Captain Barton Abel, and he stated in a letter to me that he had made a second examination of the boat since she had been dismantled, and had found her perfectly sound, and in his judgment calculated to make the best gunboat in the service. Commodore Foot has informed me that he intends to take the boat as his flagship, and every navy officer who has seen her has stated to me personally that he considered her the best boat in the fleet.

Question. Then the boat was sold to the government for \$26,850?

Answer. Yes, sir.

Question. And no limitation was imposed upon you in fitting her up for her armament?

Answer. That was the fact.

Question. What will be the cost of preparing the vessel ready for her armament, and how soon will she be completed?

Answer. To the best of my judgment, it will cost from sixty to seventy thousand dollars; that will include from 110 to 115 tons of iron plating more than is on either of the other boats.

Question. The sixty or seventy thousand dollars is the cost of fitting the boat for her armament, over and above the price of the hull?

Answer. Yes, sir.

Question. How old a vessel is she?

Answer. Eight years old, I believe, but I do not recollect exactly.

Question. What, in your judgment, was the actual value of the boat when she was purchased by the government, taking into consideration the value of vessels at that time, and the demand for such a boat?

Answer. The rebellion has almost completely destroyed the purpose for which the boat was built, and, of course, her value was greatly decreased thereby. The original cost of the boat to the wrecking company was \$79,000.

Question. What was her value at the time she was sold to the government, taking all things into consideration?

Answer. If I had been totally disinterested in the matter I should not have appraised her at less than \$40,000.

Question. Were you a boat-builder?

Answer. No, sir; I have built boats, however.

Question. You were not engaged in building boats at the time you entered into this contract?

Answer. I was then out of business entirely.

Question. When is this boat to be completed?

Answer. She is to be ready for her armament in about three weeks.

Question. Who is superintending the alterations of the hull, and who are interested in the machinery of the boat, or in the profits resulting from her alteration?

Answer. Nobody but myself.

Question. Who superintends her construction?

Answer. I do.

Question. In what manner do you propose to charge the government for the construction of that vessel?

Answer. In the same manner that dock companies charge for altering and repairing steamboats.

Question. State the basis upon which you proceed to make charges, whether you charge for the work and your own superintendence, or whether you make a gross charge?

Answer. I propose to charge for materials and work, and for my own superintendence.

Question. Do you propose to charge the materials at cost prices, and the work at what it cost?

Answer. I propose to follow the same system which is followed by the dock companies throughout the United States in like circumstances.

Question. Boats are almost always built by contract, are they not?

Answer. They are, but they are not altered or repaired by contract.

Question. In addition to the cost of materials and the cost of work, what do you propose to charge the government for your superintendence in constructing the vessel?

Answer. That is a matter which I have not yet thought of at all. My idea was, that the government would appoint parties to audit the accounts, and that that matter would be passed upon by them.

Question. Where is the machinery being constructed?

Answer. We use the same machinery that was in her, but we place it lower in the hold of the boat.

Question. Do you know a gentlemen by the name of Selover?

Answer. There is a gentleman in this house (Barnum's Hotel) by that name, I believe.

Question. What connexion has he, if any, in the construction of these vessels, in superintending their construction, or in any other way?

Answer. No more than you have, so far as I know. I am the only person interested in the superintendence, construction, or in the profits derived from the construction of the "Benton," and no person is interested in the profits or in the construction of the other seven boats besides the gentlemen first named by me.

Question. State how much water those gunboats will draw with all the armament on board, and with the iron plating on.

Answer. I think five and a half feet.

Question. Will they not draw that without the armament on?

Answer. No, sir; they will draw only that with everything on board ready for battle. The large boat, "Benton," will draw only about $4\frac{1}{2}$ feet. I should have stated that the "Benton" was a snag-boat, built by the government, and called the "Benton" from Thomas H. Benton; sold by order of the War Department, and purchased by the wrecking company.

Question. How long since she was sold by the government?

Answer. I think it was six or seven years ago.

Question. At what price?

Answer. I do not remember.

Question. State, to the best of your recollection, what she was sold for, and when sold to the wrecking company?

Answer. It was sold at auction, and, I think, at a figure not exceeding \$10,000.

Question. How much were you interested in the boat at the time she was sold to the government?

Answer. I owned \$2,500 of stock in the company. The capital stock of the company was \$235,000. In the alteration of the gunboat I constantly consult the naval officers who are in the gunboat service here.

Question. Were you one of the parties interested in this vessel when she was purchased of the government in the first instance?

Answer. I was, because it was purchased by the company. The boat was converted into a wrecking boat at a cost of \$79,000.

Question. In this last contract was the diving bell sold to the government?

Answer. Yes, sir; and everything on board of her. The government also got a large quantity of chains and outfit, valuable to the government.

Question. Do you know anything about the service of plate presented to Mrs. McKinstry?

Answer. I do; I was solicited to contribute to the purchase of silver to Major McKinstry's lady as an evidence of the appreciation which the parties had of his services as provost marshal. I put my name down for \$100, believing it was eminently proper and right, and that his services as provost marshal deserved the respect of the community.

Question. Do you know what other parties subscribed to that testimonial?

Answer. I do, some of them.

(The following list of names was submitted to the inspection of the witness: — Wheeler, J. Allen, L. P. Brady, J. S. Pease, — Ladue, (banker,) J. H. Bowen, J. B. Eads, — Cowles, T. Adams, Fiel & Bro., Child, Pratt & Fox, R. Kieler, A. A. Selover, Martin & Bro.)

Question. Do you know whether the men whose names are on that list subscribed to the testimonial?

Answer. I saw some of their names upon the subscription list.

Question. Did you subscribe \$100 to that testimonial before or after Major McKinstry directed Abel to procure the inspection of that vessel?

Answer. Some time afterwards. I think it was only two or three days before the major took the field.

Question. Had you any contracts with the quartermaster's department?

Answer. None whatever. I have no recollection of ever asking a favor of Major McKinstry in my life, and I do not know that I was ever under any personal obligation to him.

Question. Do you know whether or not the paper I have shown you contains the names of the parties, so far as you know, who subscribed to that testimonial?

Answer. Those are the names so far as I know.

ST. LOUIS, *October 28, 1861.*

ALEXANDER KELSEY recalled:

Question. State the aggregate amount of the articles you sold to Pease subsequent to the 1st of May last?

Answer. It is \$13,001 71.

Question. State, if you please, what you have sold to the government of the United States during the same period of time?

Answer. I have not sold anything to the United States.

Question. State to whom you sold all the articles which amounted in the aggregate to \$13,001 71, and with whom you settled the account?

Answer. I sold them to J. S. Pease and he settled the accounts.

Question. Have you examined your books and accounts since you were last before the committee in reference to your accounts with Pease?

Answer. I have.

Question. Will you now, after such re-examination of your books and papers, look at this account (the account presented to the witness on his examination on a former day, which see) and state whether you sold the articles therein charged to the United States; if not, to whom you sold them, and how you happened to give that receipt to the government, and how it happened that McKinstry certified to its correctness?

Answer. I never sold any of them to the United States.

Question. To whom did you sell those articles, if to any one; and, looking at the items, state whether they were sold, if sold at all, at the times specified in the account.

Answer. I sold to Pease corn and oats, supposing when I sold them that he bought them for the government. I have no means of knowing whether or not that was so. But I cannot find upon my books any amounts corresponding with those contained in the bill.

Question. How did it happen that, on the 31st of September, 1861, Major McKinstry certified to the correctness of that account, and did you apply to him for the purpose of obtaining such certificate?

Answer. I never went to him for any such purpose.

Question. Do you know in what manner his name became attached to that certificate?

Answer. I do not.

Question. Did you receive the amount of that bill, \$2,401 35, from the United States, through Major McKinstry, or any person acting under him?

Answer. No, sir.

Question. Have you any explanation to make of that paper and

of the circumstances under which it was obtained from you, other than that which you made on your previous examination?

Answer. I have not.

Question. Did you furnish Pease with bills of the articles you furnished him?

Answer. Yes, sir.

Question. Were they charged up against him?

Answer. Yes, sir.

Question. Did he tell you he wanted the bills so made out and charged as to enable him to settle with the government?

Answer. No, sir; he never made any request of any kind.

Question. Did he state that he was purchasing for the government as its agent?

Answer. He never stated to me, that I recollect of, that he was buying for the government.

Question. This paper, which I have presented to you, is signed in your own proper handwriting?

Answer. Yes, sir.

Question. Will you state whether that is a genuine and *bona fide* receipt from you to the government of the United States.

Answer. It is no receipt from me, that I know of, because I never sold the government anything, and the articles I sold Pease do not correspond with the articles enumerated in that bill, and do not correspond to the bill I rendered him.

ST. LOUIS, *October 28, 1861.*

H. W. G. CLEMENTS recalled:

Question. Will you answer the question put to you on your last examination, in reference to the cost of supplying General Frémont's body guard.

Answer. I did not understand that the committee wanted the account for the caps, but merely of the cloth for the garments. The account for the cloth has not been made up yet. The clothing was made up, I understand, at one of the clothing halls here.

Question. How many of those body guards were there?

Answer. I do not know.

Question. Can you furnish a statement of the cost of their outfit?

Answer. I can give an account of the supplies furnished from our office, but outside of that I cannot.

Question. Would any supplies be furnished by any other office?

Answer. Probably Captain Turnley furnished some supplies.

Question. Would any other officer furnish supplies?

Answer. Captain Rankin would have furnished clothing after the clothing department was turned over to him some time about the 10th or 15th of September. He has had the supervision of that department ever since.

Question. Subordinate however to the quartermaster's department?

Answer. Yes, sir.

(The witness was here shown the copy of order of General McKinstry on E. W. Fox, dated September 2, 1861, a copy of which will be found in the testimony of the witness on a previous day.)

Question. State whether that requisition is one of the requisitions made by General McKinstry for supplies?

Answer. That was an order given by General McKinstry. It is a true copy of the original order.

Question. What is that requisition for?

Answer. For 30,000 overcoats.

Question. State whether those articles were furnished, and upon what basis they were settled for by the quartermaster's department?

Answer. I do not know whether they have been furnished yet, or if they have, whether they have been paid for. Captain Rankin can probably tell all about that matter.

Question. Would you not, as chief clerk of the quartermaster's department, be aware of the furnishing of such supplies?

Answer. Not after that department was transferred to Captain Rankin.

Question. Do you, as chief clerk of the quartermaster's department, know upon what principle the accounts for supplies furnished upon requisitions were adjusted? And if that would not be within your knowledge, within whose knowledge would it be?

Answer. When the accounts were brought in they were examined by one of the clerks and the articles marked, so as to see whether we had the articles on hand. They were then transferred to the cashier, by whom they were examined and the vouchers made out.

Question. What particular clerk was it that performed the duty of examining the accounts?

Answer. Mr. Hahn and Mr. Barlow, the cashier and the assistant cashier.

Question. What clerk would examine the accounts before they were passed over to the cashier?

Answer. Mr. Smith and another, Mr. Hahn.

Question. Those two clerks were subordinate to yourself?

Answer. Yes, sir.

Question. When articles were furnished upon such a requisition as that upon E. W. Fox, by whom were such accounts adjusted, and by whom was it determined what would be a fair mercantile profit?

Answer. No such orders have come to my hand to my knowledge. They would properly go to Captain Rankin.

Question. Look at the account now shown you, made out against the United States by Alexander Kelsey, and certified to be correct by General McKinstry on the 30th day of September, and receipted by Alexander Kelsey, (see Alexander Kelsey's testimony for copy of bill,) and state the manner of adjusting such an account in the quartermaster's department, and how their correctness was ascertained before being certified to by Major McKinstry?

Answer. When the bill came in we look at the railroad or steamboat bill and see whether that amount of stuff has been shipped off.

under this contract at Cairo at \$17 95 per ton, instead of buying it at that point?

Answer. I can deliver hay under contract at Cairo, in any quantities, at \$15 per ton; which would be a saving of three dollars per ton, lacking five cents. That would be the saving to the government without reference to the quality of the hay and the size of the bales.

Question. According to that, your bid at the time you made it would be two dollars more than you would put it in at now?

Answer. Yes, sir. The freight I then expected to pay was railroad freight, which would be much more than the freight upon the river. Since the bid was made matters have changed, and we can now send hay by the river.

Question. If you had got the contract to furnish hay at Cairo at \$16 per ton, expecting to take it there by railroad, and it turned out that you could take it by water, would you have deducted the difference in freight?

Answer. No, sir; I do not think I should.

Question. Why did you put in a bid to deliver hay at Cairo?

Answer. I put in the bid without reference to the advertisement, for I did not know of any advertisement until I came up here on the day the bids were opened. I made a general bid to furnish all the hay they wanted delivered at this point and at Cairo. Captain Turnley told me to-day that he told those parties to go on and deliver hay at Cairo upon the same terms that they were delivering in St. Louis.

Question. If you had seen the advertisement you would have put your bid in at the same price, according to the advertisement?

Answer. Yes, sir.

Question. Was your bid before the quartermaster's department, even according to the requirements of McKinstry himself, before the time when it was said that this bid of Holmes was discovered?

Answer. It was filed a week or ten days before that time at Frémont's headquarters.

Question. Was McKinstry notified of the fact of your proposition having been filed in the other quartermaster's department instead of in his, with the intention of filing it in his before the proposition of Holmes sprung up, upon which the contract was awarded?

Answer. Yes, sir.

Question. Do you know that Holmes's bid was not in at the time?

Answer. I do not know that fact.

Question. Was Holmes here?

Answer. I saw Holmes after the bid was said to be awarded to him, but I did not see him before. I told him I had put in a bid at \$17, and that in justice I was entitled to the contract. He had heard about my bid being down at the other quartermaster's office. He said it was not in the right place.

Question. At how many different places did you understand that bids were filed?

Answer. I was told that they were filed at three different places, and that five or six were opened which were left at the place where

mine was filed. Theirs were sealed up; mine was not, but was an open bid.

Question. Besides that place and McKinstry's office, where else did you understand that bids were filed?

Answer. I do not know what other place, though I heard parties talk about there being another place.

ST. LOUIS, *October 28, 1861.*

JAMES B. EADS, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a boat-builder.

Question. State whether you have any contracts with the government; and if so, what.

Answer. I have a contract for building seven gunboats.

Question. With whom was the contract made?

Answer. With Brigadier General Meigs, quartermaster general United States army.

Question. State the substance of that contract.

Answer. The contract is to build seven gunboats complete, ready for their armament.

Question. At what price, and to be finished at what time?

Answer. At \$89,000 each, with a provision for extra work to be paid for.

Question. Estimated by whom?

Answer. The contract does not say.

Question. How is it to be estimated?

Answer. I presume by competent persons—either the superintendent appointed over the engine department, or the one over the hull department, as I suppose they are competent persons. There will be a considerable amount of extra work.

Question. Of what character?

Answer. I suppose there will be forty-five tons of iron plating put upon each boat extra.

Question. Does the contract provide for the iron plating?

Answer. It provides for seventy-five tons to each boat.

Question. And the additional forty-five tons is to be estimated for and paid by the government?

Answer. Yes, sir.

Question. Is there any other extra work?

Answer. The superintendents have made alterations in the hulls, and extra work has been put upon them.

Question. Is there any provision in the contract for that?

Answer. The contract provides that all extra work shall be estimated and paid for.

of the circumstances under which it was obtained from you, other than that which you made on your previous examination?

Answer. I have not.

Question. Did you furnish Pease with bills of the articles you furnished him?

Answer. Yes, sir.

Question. Were they charged up against him?

Answer. Yes, sir.

Question. Did he tell you he wanted the bills so made out and charged as to enable him to settle with the government?

Answer. No, sir; he never made any request of any kind.

Question. Did he state that he was purchasing for the government as its agent?

Answer. He never stated to me, that I recollect of, that he was buying for the government.

Question. This paper, which I have presented to you, is signed in your own proper handwriting?

Answer. Yes, sir.

Question. Will you state whether that is a genuine and *bona fide* receipt from you to the government of the United States.

Answer. It is no receipt from me, that I know of, because I never sold the government anything, and the articles I sold Pease do not correspond with the articles enumerated in that bill, and do not correspond to the bill I rendered him.

St. LOUIS, October 28, 1861.

H. W. G. CLEMENTS recalled:

Question. Will you answer the question put to you on your last examination, in reference to the cost of supplying General Frémont's body guard.

Answer. I did not understand that the committee wanted the account for the caps, but merely of the cloth for the garments. The account for the cloth has not been made up yet. The clothing was made up, I understand, at one of the clothing halls here.

Question. How many of those body guards were there?

Answer. I do not know.

Question. Can you furnish a statement of the cost of their outfit?

Answer. I can give an account of the supplies furnished from our office, but outside of that I cannot.

Question. Would any supplies be furnished by any other office?

Answer. Probably Captain Turnley furnished some supplies.

Question. Would any other officer furnish supplies?

Answer. Captain Rankin would have furnished clothing after the clothing department was turned over to him some time about the 10th or 15th of September. He has had the supervision of that department ever since.

Question. Subordinate however to the quartermaster's department?

Answer. Yes, sir.

(The witness was here shown the copy of order of General McKinstry on E. W. Fox, dated September 2, 1861, a copy of which will be found in the testimony of the witness on a previous day.)

Question. State whether that requisition is one of the requisitions made by General McKinstry for supplies?

Answer. That was an order given by General McKinstry. It is a true copy of the original order.

Question. What is that requisition for?

Answer. For 30,000 overcoats.

Question. State whether those articles were furnished, and upon what basis they were settled for by the quartermaster's department?

Answer. I do not know whether they have been furnished yet, or if they have, whether they have been paid for. Captain Rankin can probably tell all about that matter.

Question. Would you not, as chief clerk of the quartermaster's department, be aware of the furnishing of such supplies?

Answer. Not after that department was transferred to Captain Rankin.

Question. Do you, as chief clerk of the quartermaster's department, know upon what principle the accounts for supplies furnished upon requisitions were adjusted? And if that would not be within your knowledge, within whose knowledge would it be?

Answer. When the accounts were brought in they were examined by one of the clerks and the articles marked, so as to see whether we had the articles on hand. They were then transferred to the cashier, by whom they were examined and the vouchers made out.

Question. What particular clerk was it that performed the duty of examining the accounts?

Answer. Mr. Hahn and Mr. Barlow, the cashier and the assistant cashier.

Question. What clerk would examine the accounts before they were passed over to the cashier?

Answer. Mr. Smith and another, Mr. Hahn.

Question. Those two clerks were subordinate to yourself?

Answer. Yes, sir.

Question. When articles were furnished upon such a requisition as that upon E. W. Fox, by whom were such accounts adjusted, and by whom was it determined what would be a fair mercantile profit?

Answer. No such orders have come to my hand to my knowledge. They would properly go to Captain Rankin.

Question. Look at the account now shown you, made out against the United States by Alexander Kelsey, and certified to be correct by General McKinstry on the 30th day of September, and receipted by Alexander Kelsey, (see Alexander Kelsey's testimony for copy of bill,) and state the manner of adjusting such an account in the quartermaster's department, and how their correctness was ascertained before being certified to by Major McKinstry?

Answer. When the bill came in we look at the railroad or steamboat bill and see whether that amount of stuff has been shipped off.

That examination is made by that Mr. Smith. By him the bills are marked correct, and then they are transferred to the cashier, who examines the calculations.

Question. Was that particular account, so far as you know, settled in the accounts of J. S Pease?

Answer. That I do not know.

Question. Was he authorized to purchase for the government the articles mentioned in that bill?

Answer. He has been authorized to purchase a good deal of forage.

Question. Did he purchase in his own name, or in the name of the government?

Answer. I cannot tell. I think that at times when we had not money, Pease would have the accounts made out in the names of the persons from whom he bought articles, for the purpose of transferring the vouchers to them as he could not pay them the money.

Question. Suppose he paid the men from whom he purchased in Missouri money, what object would he have had in having the accounts made out against the United States, when he purchased the property in his own name?

Answer. I cannot answer that question.

Question. Would the tendency of that be to duplicate charges against the government?

Answer. I think not. I know Pease has very often had accounts made out for articles he has purchased himself in the name of the government, for the reason that he could not get money from the government to pay them, and that he would give them these certified vouchers, which were money to them.

Question. Did I understand you to say that Pease had no horse contract?

Answer. I do not know that he had.

Question. If it is a fact then that in settling his accounts with the government there were receipts of divers persons for horses, made out in the form in which this account of Alexander Kelsey is made out, and that the government settled with him upon those vouchers, will you explain how that occurred?

Answer. The cashier can tell you more than I can about that matter. All accounts relating to money were in the cashier's hands, for every one else had their own peculiar duties to attend to, by which they were overpowered.

Question. About what time did Major McKinstry come here?

Answer. He took charge of the quartermaster's department here about the 9th or 10th of January, 1860.

Question. State, after the first of May, how many contracts were made by the quartermaster's department at St. Louis for clothing, shoes, saddles, blankets, saddle equipments, harnesses, and articles of like character, on advertisement for proposals?

Answer. I cannot tell without referring to my books. The cashier has those proposals attached to the vouchers for the supplies.

Question. How many instances of the kind do you yourself remember?

Answer. I cannot tell. Perhaps five or six heavy contracts.

Question. Do you know anything about the hay contract—the one in which Holmes is the contractor?

Answer. I do not know the name of the person to whom the contract was awarded. It was a contract for 10,000 of hay. The bids were opened the day that General McKinstry was expected to leave for the field, and the papers were transferred to Captain Turnley by whom the contract was made.

Question. The proposals though were opened by General McKinstry?

Answer. A portion of them were opened in his office, but the greater portion of them were opened in Captain Turnley's office. The reason of that was that General McKinstry was going away, and Captain Turnley thought he had the whole control of the matter. But General McKinstry did not get away that morning and he opened a portion of the bids.

Question. Did he open all that were on file?

Answer. I opened all that were on file in our office.

Question. How many of them were there?

Answer. I do not recollect.

Question. Were there any others anywhere else?

Answer. The greater portion of the bids were opened in Captain Turnley's office.

Question. At what time?

Answer. At 12 o'clock m. of the day the advertisement stated.

Question. At what places were those bids filed?

Answer. In Captain Turnley's office.

Question. Do you mean to say that precisely at 12 o'clock the bids which were filed in your office were opened by you, and those which were filed in Captain Turnley's office were opened there by him?

Answer. Yes, sir.

Question. How happened it that the bids were filed in two different places?

Answer. From the fact that when persons would come into Captain Turnley's office to inquire about the matter, he would tell them that was the place for filing the bids, supposing that General McKinstry would be gone.

Question. Do you remember of hearing McKinstry say anything about readvertising on account of the unsatisfactory manner in which the bids were put in?

Answer. Yes, sir.

Question. What was the reason of that?

Answer. Because a dispute arose between two parties, each claiming that they should have the contract.

Question. Who were those parties?

Answer. I do not know their names.

Question. What were the bids?

Answer. One of them was for \$17 80 and the other was for \$18, according to the best of my recollection.

Question. Did this difficulty spring up after the bids were opened at 12 o'clock.

Answer. It sprung up after it was known that a portion of the bids were opened in Captain Turnley's office. In other words, the contract was awarded in our office to the person who bid \$17 80, and in Captain Turnley's office to the man who bid \$18.

Question. Then the lowest bid filed in your office was \$17 80, and the lowest in Captain Turnley's office was \$18?

Answer. Yes, sir.

Question. And from the conflicting claims of these two persons arose the idea with McKinstry of readvertising?

Answer. Yes, sir.

Question. State why that idea was not carried out.

Answer. I cannot tell. The bids were finally turned over to Captain Turnley for him to settle the matter.

Question. Do you know at what price he awarded the contract?

Answer. I do not.

Question. Do you know of bids being filed with Mr. Davis, quartermaster at General Frémont's headquarters?

Answer. No, sir.

Question. How many quartermasters were there in this city at that time with whom bids were filed?

Answer. I only know of two; Captain Turnley's place was not the proper place to file bids. The advertisement required the bids to be filed in the office of the chief quartermaster; Captain Turnley supposed his office was the office of the chief quartermaster in the absence of General McKinstry.

Question. Then there was a mistake as to where the bids were to be filed?

Answer. Yes, sir.

Question. Do you not know that some bids were filed in Captain Davis's office?

Answer. I do not.

Question. If there were, would it not have been the proper course to examine them also, in consequence of this misunderstanding?

Answer. I should think it would have been the proper course, but I do not think any one in our office ever knew anything about it.

Question. Did not one George W. Cochran, a citizen of Cincinnati, tell you that through misapprehension he had filed his bid for hay at the office of Captain E. M. Davis?

Answer. I remember of some gentleman—I know not who—coming in there and stating that his bid had not been called out. I examined the bids over again in his presence, but did not find it. He stated that his bid had been filed. He said he had sent it to be filed. About four o'clock the same afternoon, I think, he brought in a bid for forage—whether for hay or grain I do not know—which purported to be a copy of the bid which he said he had sent to be filed. This same man came back a day or two after the contract was awarded,

and said that the person to whom he had sent his bid had left it at Captain Davis's office.

Question. According to the best of your recollection, what is the aggregate amount of the articles furnished your department by the firm of Child, Pratt & Fox, and by E. W. Fox, of that firm?

Answer. I only know from what the cashier told me; I presume \$500,000, if not more.

Question. State what proportion of those articles were furnished upon proposals resulting from advertisements for bids.

Answer. I do not know that any portion of them were.

Question. If there had been you would be most likely to know that fact?

Answer. I think I should have known it.

Question. Now state, in answer to a question I asked you on your former examination, whether either of the contracts which have been let without advertisement were let at the instance, or request, or recommendation of any gentlemen, in this city or elsewhere, occupying prominent positions, political or otherwise; if so, state on whose recommendation such contracts were made, and the character of the recommendations?

Answer. Here are several letters from Frank P. Blair recommending various persons.

ST. LOUIS, *September 6, 1861.*

GENERAL: This will introduce Colonel Bogy, of St. Genevieve, a good Union man, who finds himself surrounded by unpleasant circumstances at home. The colonel is desirous of obtaining a contract for the purchase of horses. If you can aid his wishes you will confer a favor on me. The colonel is a member of the convention. His business has been entirely destroyed, and it would be laying a special obligation on me to give him a contract.

Respectfully,

FRANK P. BLAIR, JR.

General McKINSTRY, *Quartermaster.*

MY DEAR GENERAL: The bearer of this letter is my brother. He has done great service to the Union cause in this State, and for which he has suffered very seriously. He would like to get a contract from you to buy horses or mules for the government. If you have anything of this kind in your disposition, permit me to recommend him.

Yours truly,

LEWIS V. BOGY.

A true copy.

H. W. G. CLEMENTS.

ST. LOUIS, *August 17, 1861.*

I wish you would buy wagons from Espensheid and Kearn, German wagon makers. They are Union men. Murphy and Verdin are both

secessionists. I wish you would not buy from them. It is injurious to you and to the cause.

FRANK P. BLAIR, JR.

Major McKINSTRY.

A true copy.

H. W. G. CLEMENTS.

[Indorsed.]

Give the proper orders to Dougherty.

J. McK.

TUESDAY, *August 27*, 1861.

DEAR MAJOR: I shall be much obliged to you if you can give Mr. Aleck Peterson a contract for buying horses. He is a good friend of mine, a firm Union man, and I should be glad to serve him.

Yours,

FRANK P. BLAIR, JR.

Major McKINSTRY.

A true copy.

H. W. G. CLEMENTS.

DEAR MAJOR: If you buy any more horses I wish you to give Jim Neal a fair chance. He is a personal friend of mine, and a sound Union man. By employing Neal you will confer a great favor.

FRANK P. BLAIR, JR.,

Colonel 1st Regiment Missouri Volunteers.

Major McKINSTRY.

A true copy.

H. W. G. CLEMENTS.

SEPTEMBER 11, 1861.

GENERAL: Mr. B. Crickard is the party of whom I spoke to you, and of whom I sent you a message by Charley Elleard. He wants to furnish some horses to the government. See that he is attended to.

Yours, &c.,

FRANK P. BLAIR, JR.

General McKINSTRY.

A true copy.

H. W. G. CLEMENTS.

Here, also, is a letter from Benjamin Farrar to Frank P. Blair, in reference to helping his brother get a contract.

ST. LOUIS, *July* 15, 1861.

DEAR FRANK : I write now in behalf of my brother John, to get you to help him in getting a contract for furnishing the army with horses.

He is about *busted* up financially, and is very much in need of something of the kind to help him through. Some of our friends here have had contracts and done pretty well. A word or two from you, in a way that you well know how to put, will go far with McKinstry towards putting him in favor, and enable him to get some or a portion of the contracts for mules and horses about to be offered. It is the more necessary to have something of the kind from you to McKinstry, as I fear he is prejudiced against me by reason of my letter to the judge, which fell into his hands. He may be inclined to discriminate against John. I do wish you would write a few lines to McKinstry to help John in that matter. If you know any other way to help him to a contract by orders direct from the department or otherwise, put him on it. I know I am bothering you in these matters, and I feel so, for I remember my own obligations to you, yet it is the way with the world. Do them a favor and they want another. The contracts must be let, and somebody will get the profits, and certainly no one deserves more than John, or has been a more steadfast friend of the party. If you can find occasion to give this matter some attention you will very much oblige your friend,

BEN FARRAR.

[Indorsed.]

GENERAL MEIGS: If you want horses in Missouri I most cordially recommend Mr. Farrar to purchase them for you.

FRANK P. BLAIR, JR.

A true copy.

H. W. G. CLEMENTS.

JULY 20, 1861.

DEAR FRIEND: I am going to make an offer to government to furnish the brogans for the *west*. Can you aid me by saying a word in my favor.

It is no use to say to you how much I suffer by the civil war and if I can save anything I would like to.

Yours,

JOHN HOW.

Col. F. P. BLAIR.

[Indorsed]

GENERAL MEIGS: If you can do anything for Mr. How I shall be under great obligations. He is the "salt of the earth."

FRANK P. BLAIR, JR.

A true copy.

H. W. G. CLEMENTS.

Here is also a letter from Major McKinstry to acting quartermaster general United States army, E. E. Sibley, at Washington, which I desire to have received as a part of my testimony:

ASSISTANT QUARTERMASTER'S OFFICE,
St. Louis, Mo., May 26, 1861.

MAJOR: I have the honor to enclose herewith an estimate of funds required at this station. The large number of troops (10,000 men) stationed here require, as you are aware, large amounts of supplies, and in the present depressed state of business affairs they can be purchased for cash far below the market. The difference of exchange between this city and New York is 15 per cent.

If I have to purchase the supplies required on credit, an additional 10 per cent. will have to be added, so you will readily perceive the advantage to the government in purchasing for cash.

I am, major, very respectfully, your obedient servant,

J. MCKINSTRY, *Acting Quartermaster.*

Major E. E. SIBLEY,

Acting Quartermaster General U. S. A., Washington, D. C.

A true copy.

H. W. G. CLEMENTS.

Here is another from Frank P. Blair, recommending John A. Bowen:

ST. LOUIS ARSENAL, May 21, 1861.

DEAR MAJOR: John A. Bowen is and has been *all right*, and I shall be glad if you can do him a favor consistently with the public interests. I mean everything I say in this short note.

Your friend,

FRANK P. BLAIR, JR.,
Colonel 1st Regiment Missouri Volunteers.

A true copy.

H. W. G. CLEMENTS.

Question. Do you know in what business Bowen was engaged at that time?

Answer. He was at one time agent of the Hannibal and St. Joseph railroad. He was afterwards agent of the Packet Company which ran in connexion with that road.

Question. Did he afterwards become interested in horse contracts?

Answer. Yes, sir; I think he did some time in July.

Question. Do you know how much he received for his interest in the contract he obtained in connexion with Asa Jones?

Answer. I understood that he received \$5,000.

Question. In what manner did he receive that money?

Answer. I do not know.

Question. Do you not know that in settling for the horses which were furnished under that contract, \$5,000 were retained by the quartermaster's department, and the same was adjusted with Bowen?

Answer. I know nothing of the matter of my own knowledge, but I have understood that the money was not retained.

Here is another letter from Frank P. Blair. It seems to be in reply to a note from General McKinstry to him, in which note it is stated that he, General McKinstry, would grant no favors to any but Union men.

ST. LOUIS ARSENAL, *May 31, 1861.*

DEAR SIR: When you wrote my attention was called away for a moment, and the messenger left before I could write an answer. But this does not matter except that it might appear without as inattention to your kindness, which I believe you are well aware I am very far from feeling, and as to the other matter it is only necessary to say that I feel every confidence that your favors will be given to none but Union men, and that I shall be perfectly satisfied.

Your obliged friend,

FRANK P. BLAIR, JR.,

Colonel 1st Regiment Missouri Volunteers.

MAJOR MCKINSTRY, *Acting Quartermaster.*

A true copy.

H. W. G. CLEMENTS.

Here also is a letter from Quartermaster General Meigs, which states that charges have been made at Washington that Major McKinstry deals with disaffected persons in St. Louis. Also the answer of Major McKinstry thereto, and a letter to Frank P. Blair upon the same subject.

QUARTERMASTER GENERAL'S OFFICE,

Washington City, July 12, 1861.

MAJOR: Complaints come to this administration of dealings with disaffected persons in St. Louis. The specific complaint brought to

me is that you advertise in the Missouri Republican, a disunion paper. I have suggested that the paper may publish your advertisement without orders. The publication excites dissatisfaction. I understand that strict orders have been given to you in this respect, and that you understand the policy of the government to be, to put no money into rebel hands.

At the request of a member of the cabinet I write to say that this last complaint has been brought before the Secretary of War, who says he will not repeat this order. Let me have the facts for him.

Respectfully, your obedient servant,

M. C. MEIGS,
Quartermaster General.

MAJOR MCKINSTRY,
Quartermaster, St. Louis.

A true copy.

H. W. G. CLEMENTS.

ASSISTANT QUARTERMASTER'S OFFICE,
St. Louis, July 15, 1861.

GENERAL: I have the honor to acknowledge the receipt of your letter of the 12th instant, informing me that complaints have been made at Washington that I have thrown patronage of this office into the hands of secessionists, and violated orders given me. No charge could be more susceptible of disproof. Not one dollar of patronage that I could control has ever gone into the hands of a secessionist; and if I could prevent it, not one dollar should go into their hands, directly or indirectly.

The policy of keeping the government patronage from the hands of traitors has been mine; and in proof of this I refer you to the Hon. Mr. Blair, member of Congress from Missouri, who knows my views on that point.

As for the instructions it is said I have violated, I beg leave to say I never have received any such instructions as those alluded to in your letter.

In making my purchases I have always given preference to well known Union men; and in advertising for proposals I have followed out the instructions laid down in your letter of the 14th June, to which I respectfully call your attention, which plainly marks out my course; and in order to carry out those instructions, I employed the columns of the two papers having the largest circulation; my object being to give the advertisements the greatest publicity possible.

The sole reason of my advertising in the "Republican" was that it had the largest circulation, as shown by its having the post office advertising as provided by law, and is the best medium through which to reach the commercial classes. Of the politics of its editors I know nothing, except that it professes to be for the Union.

Last year, under another administration, I employed the same two papers for advertising notices of this kind, thus distributing the patronage to the republican as well as to the democratic paper, but that was done to serve the government; interest of the newspapers was a matter that I did not consider.

Had I an order to search out and see that all money expended went into no hands but those of well known Union men—regardless of their bids, or the best means of advertising—nothing would be more gratifying to my feelings than to carry out such instructions.

I have discharged the duties of my department, not only with a sense of my obligation as an officer, but with my whole heart in the cause. I have been up nights in the discharge of these duties, and I cannot but feel that these complaints are unjust, and that they originate from the care with which I have endeavored to guard the public money from the hands of a few who are clamorous for the power to scatter it.

Very respectfully, your obedient servant,

J. McKINSTRY,

Major and Quartermaster.

GENERAL M. C. MEIGS,

Quartermaster General United States Army, Washington.

A true copy.

H. W. G. CLEMENTS.

St. LOUIS, *Missouri*, July 17, 1861.

MY DEAR SIR: I received a letter from the quartermaster general yesterday, from which it is so obvious that the department at Washington has been led into misapprehension, as to the manner in which the business of this office is conducted, that I transmit a copy of the letter which will explain itself. I think you are too well aware of my firm opposition to giving government patronage to disloyal citizens, to require any lengthy defence of my course in that matter.

It appears that the specific charge brought against me is, that I advertised in the "Republican." In doing so, I but carried out my instructions as to giving publicity to advertisements for proposals; and pursued the course that has been pursued for the last twenty years by officers here, and I believe I am the first government officer that bestowed the advertising alike upon the "Democrat" as well as upon the "Republican," and this I did under the Buchanan administration, as well as under this. I advertised in the Republican solely because it is a good commercial medium; but I, last of all persons, have interest in putting money in its pocket.

In the instructions of the quartermaster general, of the date of the 14th of June, 1861, is the following in regard to advertising:

"The law of contracts and purchases of quartermasters, March,

1861, chapter 84, section 10, requires advertising for a sufficient time previously for proposals respecting the same.

"In case of exigency requiring immediate delivery or performance, open purchase or contract is permitted.

"The department is of opinion that generally, and for nearly all purchases or contracts, some short advertisement is possible and advantageous. The publication affords opportunity for competition, satisfies the public that business is fairly conducted, and develops resources and supplies which would not be otherwise known to the officers. You will, therefore, whenever it is practicable to do so, give even a day or two public notice before contracting or purchasing."

It was in pursuance of these instructions that the advertising has appeared in the "Republican." As to the instructions intimated to have been given me by the Secretary of War, I have to say no such instructions have been given me; when they arrive I shall obey them with pleasure.

It is evident that there are parties in this city who have from time to time been working for a change in this office, which they doubtless expect to accomplish by repeated and groundless charges.

If I had failed to advertise in the "Republican," the charge made from here doubtless would have been that I did not give sufficient publicity to the advertisement to enable all to compete for the trade, and therefore had disregarded my instructions.

I ask you as my friend to call upon the Secretary and quartermaster general and explain to them the mistake under which the department is laboring.

Your knowledge of the manner in which the business of this office has been transacted will enable you to do so; and you know how zealously I have labored for the interest of the government, almost day and night, and now to be charged with favoring secessionism seems but a poor return, and a poor incentive for the future. *I rely upon you* to vindicate me from this unjust charge, and if you fail me, I shall make no further effort at vindication, but submit to whatever may be the pleasure of the government; and feeling strong in conscious rectitude, and having an abiding faith in the final justice of my countrymen, I shall have the wrong done a faithful officer to work out its own right.

In great haste, respectfully yours,

J. McKINSTRY,

Brevet Major and Quartermaster.

Hon. F. P. BLAIR, Jr.,

Washington, D. C.

A true copy :

H. W. G. CLEMENTS.

Question. Have you any other letters, writings, or indorsements of papers by which contracts were sought to be obtained of General McKinstry?

Answer. I have not, so far as I know.

Question. Have you presented to the committee all the letters and memoranda on file in your office from Frank Blair?

Answer. All that I can find at present.

Question. At the present time you know of no others?

Answer. I do not.

Question. Among the bids which were put in for forage under the advertisement of General Meigs, were there any which were found subsequent to the time that the bids were opened?

Answer. No further than I have already stated.

Question. Was the contract awarded upon any bid that was found or pretended to be found subsequent to the time when the bids were opened and read off?

Answer. Not to my knowledge.

Question. If that had been done, would it or would it not have been within your knowledge?

Answer. It would not have been within my knowledge, because the matter was transferred from our office.

Question. Did you open the bids in your office?

Answer. General McKinstry opened those in our office.

Question. Were they opened in your presence?

Answer. Yes, sir.

Question. Was the contract awarded to any of the bidders whose bids were opened at that time?

Answer. The contract was awarded on the bids which were opened in General McKinstry's office.

Question. I mean the bids which were put in before 12 o'clock.

Answer. Yes, sir.

Question. Do you recollect the name of the successful bidder, and the terms of the bid upon which the contract was awarded to that successful bidder?

Answer. I do not.

Question. What was the rate of his bid?

Answer. \$17 80 per ton, to the best of my recollection. In the other office I understood the lowest bid was \$18.

Question. Had you any conversation with Captain Turnley immediately after the bids were opened?

Answer. I went into his office to transfer the papers to him. He remarked, "Why, here are three times as many as you have." That was the first I knew of the matter.

Question. About what time was that?

Answer. I went into Captain Turnley's office about two o'clock of the day of opening the bids, but he was not in. I went in again the same day or the day after, and then it was that he told me that a large number of bids had been filed there, and that he had awarded the contract at \$18 a ton.

Question. Did he tell you anything about a contract having afterwards turned up?

Answer. No, sir.

Question. Did any afterwards turn up in your office?

Answer. No, sir.

Question. On what authority was \$105,000 of the funds of the quartermaster's department diverted from that department and appropriated to E. L. Beard on account of the construction of the forts in and around the city of St. Louis?

Answer. I was not aware until yesterday that any funds had been transferred from the quartermaster's department.

Question. Is the construction of those forts a legitimate charge upon the quartermaster's department?

Answer. No, sir. It seems to me that that should come out of the appropriation made by Congress for fortifications.

Question. Do you know anything about the manner in which these forts are being built?

Answer. I do not.

Question. By what kind of a contract are they being built?

Answer. The only contract I know of is the one you have here between General McKinstry and E. L. Beard.

Question. Do you know anything of the visit of E. W. Fox to the city of Washington in the month of July last?

Answer. I do not. I know that Fox was in Washington in March last, but I am not aware that he was there in July.

Question. Was that before or after the inauguration of President Lincoln?

Answer. Previous to that.

Question. Was he there afterwards?

Answer. I do not know.

Question. Do you know, from any conversation with him or with General McKinstry or any other person, whether his visit to Washington had any connexion at all with General McKinstry's being detained in the quartermaster's department in this city; and if so, what did you hear said upon that subject?

Answer. All that I know about it is this, that Fox was there about that time, and I know he had an interview with Frank Blair.

Question. On what subject?

Answer. Probably the subject you have alluded to. I am not confident of it, however.

Question. Did you understand that such was the subject?

Answer. I did.

Question. Did you understand that that was the object of his visit to Washington city?

Answer. I cannot say that I knew that was the object of his visit. I was in Washington at the time of the arrival of Fox.

Question. Did you understand from him that he came there with a view to the retaining of McKinstry in office?

Answer. I did not; but I afterwards heard that his interview with Blair was upon that subject.

Question. By what influences was McKinstry retained in his office?

Answer. I do not know.

Question. What do you know about the testimonials presented by the contractors to General McKinstry, or any member of his family?

Answer. I do not know of any testimonial being presented to

General McKinstry, and I only know, from hearsay, of any being presented to Mrs. McKinstry.

Question. You have heard the matter talked of in the department.

Answer. I have heard it talked of only within the last week or ten days.

Question. Do you know the fact, as coming from any member of General McKinstry's family?

Answer. I heard General McKinstry refer to the matter when I was at Syracuse, the other day.

Question. What was the character of the testimonial, as you understood from General McKinstry?

Answer. I heard him say it was a testimonial of plate.

Question. Of what value?

Answer. I do not know.

Question. Presented to himself, or to some member of his family?

Answer. To his wife, I understood.

Question. From whom?

Answer. I do not know.

Question. Who subscribed to it?

Answer. I do not know. I have not seen the list.

Question. What do you know of any other testimonial from the contractors in this city to any other person connected with the war movements in this city?

Answer. I do not know of any others.

Question. Did you ever hear of any other?

Answer. I heard of a carriage being presented to McKinstry, but I think the general paid for that himself.

Question. Who did you hear that from?

Answer. I think General McKinstry told me of that himself.

Question. By whom was it presented?

Answer. I do not know.

Question. By whom did you understand it was presented?

Answer. I think I understood from him that it was from Neil, or Ellard, or some one of those horse men. McKinstry told me he would not receive it, and that, as the carriage had been purchased, he went and paid for it by drawing his salary in advance.

Question. And then permitted them to present it to him.

Answer. No, sir. He told the manufacturers that if the men came there to pay for it to tell them that he had paid for it.

Question. It had already been purchased by those parties.

Answer. I presume so.

Question. And it had already been presented to him.

Answer. I do not know how you could make a presentation of what he paid for himself.

Question. Do you understand that they bought it for McKinstry?

Answer. I understand that was the case, and that he went and paid for it himself.

Question. Before or after the presentation?

Answer. I do not know anything about it.

Question. How about the set of plate, was that paid for by General McKinsty?

Answer. I do not know.

Question. Do you know of any other testimonial presented to any person connected with the military movements in this city?

Answer. I do not.

Question. Look upon this list of names (presenting to the witness the list of names which will be found in Ead's testimony) and state how many of those parties, if any, have been contractors under the quartermaster's department, or have been furnishing supplies to that department.

Answer. Bowen had a contract with Wheeler; Brady has furnished tents and blankets; Pease has furnished general stores; Bowen also furnished forage.

Question. Do you know Judge Cowes?

Answer. I do.

Question. Where does he reside?

Answer. In New York.

Question. Do you know of any contracts he has had?

Answer. I do not.

Answer. What was his business here?

Answer. I do not know.

Question. Proceed with your statement about those parties.

Answer. Field & Brother were to furnish cloth for the body guard of Frémont. Child, Pratt & Fox were furnishing a great many supplies. R. Keiler & Co. did not furnish many supplies under Major McKinsty; but they have under Captain Rankin. As to A. A. Selover, I do not know whether he has ever received any contract; but I think he is interested with E. W. Fox.

Question. Who is this Selover?

Answer. He was an auctioneer in California—an acquaintance of Frémont in that celebrated Mariposa claim. I do not know whether any of the gentlemen on this paper subscribed to the testimonial.

Question. What was the nature of Selover's connexion with Frémont in furnishing supplies.

Answer. I do not know.

Question. What connexion had one Joseph Palmer with furnishing supplies, or with any contracts with the government?

Answer. None that I know of, of my own knowledge.

Question. What have you heard?

Answer. I have heard that he was interested with Beard.

Question. In the building of the forts?

Answer. I do not know in what.

Question. Had Beard any other contract than that connected with the forts?

Answer. He supplied a considerable amount of forage, oats, and corn.

Question. Before or after the fort contract was entered into?

Answer. Within the last six or seven weeks.

Question. A large quantity or small?

Answer. They furnished 20,000 bushels at Jefferson city, and 20,000 bushels at Rolla.

Question. On contracts, after advertisement?

Answer. No, sir; on orders.

Question. Without competition?

Answer. Yes, sir.

Question. Have you any other correspondence which you desire to submit?

Answer. I have a letter from John How and W. S. Gurnee to General Frémont, which was referred to General McKinstry, and the answer of General McKinstry thereto.

They are as follows:

Proposition of J. How and W. S. Gurnee, for furnishing clothing, &c.

ST. LOUIS, August 19, 1861.

SIR: Referring to the conversation had with you some three weeks ago by one of the undersigned (Mr. Gurnee) in relation to army supplies, and to what extent such supplies could be furnished at Chicago with the promptitude required for the fitting out of an army, we have to say that Mr. Gurnee, having conferred with the principal manufacturers of Chicago, returned to this city prepared to give satisfactory answers, but learning here that St. Louis claimed a portion of the work, he proposed to her associate in these communications (Mr. John How) to unite in this proposition, with the understanding that the goods should, as far as practicable, be manufactured in Chicago and St. Louis, and in equal proportions.

They now make out and submit to the commanding general the following propositions:

First. They will furnish and deliver, at any depot or office in Chicago or St. Louis, the goods manufactured in the respective cities, as follows:

20,000 coats or jackets, at rate of 1,500 per week.

20,000 pair of pants, at rate of 1,500 per week.

20,000 pair of drawers, at rate of 1,500 per week.

40,000 flannel shirts, at rate of 3,000 per week.

70,000 pair of socks, at rate of 5,000 per week.

15,000 overcoats, at rate of 1,000 per week.

35,000 boots or shoes for infantry, at rate of 1,000 per week.

5,000 cavalry boots, at rate of 400 per week.

17,000 caps or felt hats, at rate of 2,000 per week.

15,000 knapsacks, at rate of 2,000 per week.

15,000 haversacks, at rate of 2,000 per week.

15,000 canteens, at rate of 2,000 per week.

2,000 horse equipments, at rate of 200 per week.

All the supplies furnished shall correspond to the patterns and samples now being made for government service unless changed by your order, and the price to be the same at which contracts are now

being filled in the principal of the quartermaster's departments for the United States, with allowance to us when superior articles are required, and deduction if inferior are delivered, we to be notified at the time if deductions are claimed. We will commence the delivery of the goods within twenty days after the signing of the contract, and will, as far as practicable, increase the deliveries, and even the amount of goods when required by your department.

An early answer is respectfully requested, as the time is short within which to supply the army of the west, and have them prepared for the coming winter.

JOHN HOW.
W. S. GURNEE.

Major General JOHN C. FRÉMONT,
Commanding Department of the West.

I recommend this proposal for contract to Major McKinstry.

J. C. FRÉMONT,
Major General Commanding.

A true copy.

H. W. G. CLEMENTS.

OFFICE OF QUARTERMASTER UNITED STATES ARMY,
St. Louis, August 25, 1861.

SIR: I have the honor to acknowledge the receipt at your hands of a proposition over your signature and that of W. S. Gurnee, of Chicago, addressed to Major General Frémont, commanding western department, offering, upon certain terms, to enter into a contract to furnish the quartermaster's department with certain articles of supplies pertaining to the equipment of the forces now being organized in this city.

The commanding general has referred your proposition to me. A reference from so high a source makes it an imperative duty on my part to give my reasons in detail for declining your proposition.

They are as follows: The acceptance of your proposition would involve the expenditure of at least three-fourths of a million of dollars—an enormous amount of money to be expended for a public object, without throwing open the door to public competition. The business community just now is in that state of inactivity where it anticipates and attempts to seize hold of every opportunity to obtain employment for both muscle, and machinery, and capital, and it naturally turns to the war department of the government for that relief which it fails to find among civil affairs.

This being the case, this department will be constantly the object of scrutiny and criticism by those most interested in being made aware of the wants of the government, and the expenditure of so considerable a sum without public competition, even if perfectly innocent in itself, (of which there might be some slight question,) would provoke unkind and bitter feelings, slanderous remarks, and

publications, and such trouble as you and I have both witnessed more than once in relation to government contracts.

Neither I nor any other officer of the government, be his position or rank what it may, has strength enough to stand before the people on such a record, and hope to escape the most virulent charges of fraud and corruption.

At all events I do not intend to try the experiment, at least until ordered to do so by the government whose agent I am.

Let me say, sir, in conclusion, that, of course, nothing contained in this letter was intended as any reflection or criticism upon your motives, or those of Mr. Gurnee, in making the propositions referred to, and to add that I am, as ever, very respectfully, yours, &c.,

J. MCKINSTRY,
Major and Quartermaster.

Hon. JOHN HOWE.

A true copy.

H. W. G. CLEMENTS.

ST. LOUIS, *October 28, 1861.*

PARMENAS T. TURNLEY recalled.

Question. Do you remember a proposal being published by Quartermaster General Meigs for furnishing hay at this point?

Answer. I do.

Question. Where were the proposals for furnishing hay under that advertisement filed?

Answer. They were filed in my office.

Question. Were any of the proposals filed elsewhere?

Answer. The advertisement drawn up by General Meigs I took to the printing office and had printed, as he directed. The bids were to be opened on a certain day, at 12 o'clock, at the chief quartermaster's office in St. Louis. Some three or five days before the bids were to be opened, General McKinstry, who was chief quartermaster, told me that he was then bound for the field. Bids were coming daily into my office, which I supposed then to be the chief office of the quartermaster's department. They were received and locked up in the drawer of my own table, my office being in the same building with McKinstry's office, but the same place it had been for two months previous. When 12 o'clock arrived on that day the doors were locked, with the room pretty full of bidders and others, and we began to open the bids. One clerk was ordered to read them off, and another was ordered to record and make an abstract of them. We consumed an hour and a half or two hours in that business. I then dismissed the assemblage, and told them that in a day or two, when I got time, I would notify the lowest bidder of the fact. The next day a man came to me and told me he had put in a bid in McKinstry's office.

Question. Who was he?

Answer. I have forgotten his name. I went with that man to McKinstry's office, and then for the first time I learned from McKinstry himself that he had opened a few bids. He said he was not aware that bids were being opened the same day and hour in my office. In the meantime he had awarded the contract to the lowest bidder among the half dozen in his office.

Question. To whom and at what price?

Answer. I do not recollect the name. Upon examination, that bid appeared to be higher than some bids in my office.

Question. What was that bid in McKinstry's office?

Answer. Eighteen dollars a ton. There was one bid in my office so conditional that we did not consider it. After learning those facts from Major McKinstry, I told him that I would turn over all the bids in my office to him, though I had four or five times as many as he had. He reflected a moment, and said, "Go on and award the contract to the lowest bidder." I did so, taking all the bids, both those filed in Major McKinstry's office and those filed in mine, together.

Question. To whom was the contract awarded?

Answer. To Holmes & Wood, I think.

Question. What was the lowest bid, conditional or otherwise, which was opened that day?

Answer. I think it was \$17 95.

Question. What bid was there in your office at \$17 80, if there was any such?

Answer. I would have to refer to the papers to answer that question.

Question. At 12 o'clock did you open all the bids that were in your office?

Answer. All of them.

Question. Did you, between 12 o'clock and the time when all the bids were opened, open a bid at \$17 95.

Answer. Yes, sir.

Question. By whom was that bid made?

Answer. I think by Holmes and somebody else.

Question. Was that bid opened between 12 o'clock m. and 2 o'clock p. m. the same day?

Answer. It was opened along with the other bids.

Question. To whom did you award the contract, and to whom did you tell Clements, the chief clerk in the quartermaster's department, that you had awarded it?

Answer. It was awarded to this Holmes.

Question. Did you tell Clements, the same day the bids were opened, that you had awarded the contract to the lowest bidder in your office, which was at \$17 80.

Answer. I do not recollect. I may have told him I awarded it to the lowest bidder, whatever it was. I think it was \$17 95.

Question. Did you tell him that the lowest bid in your office was \$17 80.

Answer. I could not have told him so unless it was so.

Question. When you saw General McKinstry what proposition did he make about readvertising?

Answer. He ordered me to readvertise.

Question. Why?

Answer. Because the bids had not been opened according to the advertisement.

Question. Did you carry that order into execution?

Answer. No, sir; because he withdrew it.

Question. Why did he withdraw it?

Answer. I was standing by his table when he gave the order, but he withdrew it, after a moment's reflection, in these words: "No, you need not readvertise; go on and award this contract to the lowest bidder."

Question. Did you tell him who the lowest bidders were?

Answer. Yes, sir.

Question. Who?

Answer. I think the name was Holmes.

Question. Did you tell him that before or after he ordered you to readvertise?

Answer. I told him that at the time.

Question. He instantly required you to reorganize it in consequence of the confusion?

Answer. Yes, sir; but after a moment's reflection he withdrew the order.

Question. By whom was the contract signed?

Answer. I cannot tell without reference to the papers.

Question. Were you informed that day, or subsequently, that bids were also filed at the office of Captain E. M. Davis, the quartermaster at General Frémont's headquarters?

Answer. I was not.

Question. Were you ever informed of that fact?

Answer. Never. I think nearly a week afterwards Davis, or somebody else about headquarters, told me that bids were brought there and that they had referred such parties to my office.

Question. Did not some gentlemen, who had filed a bid at Davis's office, and whose bid was lower than \$17 95, inform you of that fact the day the bids were opened or the day after?

Answer. No person informed me until after the bids were opened.

Question. Did they inform you before the bid was finally awarded to Holmes, Wood & Co.?

Answer. Not that I recollect. There very frequently come in straggling bids, out of place, informal in their character, and when it is too late.

Question. What clerk in your department opened and made an abstract of those bids?

Answer. Peter Clark, esq., read off the bids, but I am not positive now what clerk abstracted them. He did it, however, under Clark's eye.

Question. Did you, on that day, hear any statement made by any

person after the opening of those bids at 12 o'clock, and thence on to 1 and 1½ o'clock, that proposals to furnish hay at a lower price than \$18 a ton had been discovered, or that any proposal to furnish produce had been discovered, which had not been read off in connexion with the other bids?

Answer. I think I did; that a bid was put in after we commenced reading off the bids. It appears to me that the clerk handed me a bid which came in afterwards.

Question. Whose bid was that?

Answer. I do not recollect.

Question. Was it the bid of Cochrane?

Answer. I cannot give the name of a single bidder.

Question. What was done with the bid which was handed in in that way?

Answer. It was put on file.

Question. Was it considered in the bidding while you were opening the bids?

Answer. It was not considered in the awarding. One or two bids, at least, that came in afterwards I ordered to be indorsed with the hour when they were received, and to be filed with the other bids.

Question. Then, in reality, in conformity to the advertisement for proposals published by General Meigs, your office was not the proper place for filing and opening those bids?

Answer. It was not the proper place if the other office was continued.

Question. Was it the proper place to file the bids under the advertisement?

Answer. They were to be filed in the office of the chief quartermaster.

Question. Was your office the proper place to file them, as the quartermaster's office stood at the time the advertisement was published?

Answer. No, sir; because Major McKinstry was then in charge of the quartermaster's department.

Question. Were you not aware that McKinstry was there at the opening of the bids?

Answer. I was not. I knew that he was in the city, but he had turned over everything to me.

Question. Would you not consider it wise and prudent, upon the part of the government, in consequence of this confusion, to readvertise for bids?

Answer. No, sir, not at all, as we took all the bids into consideration in awarding the contract.

Question. Are those parties delivering hay under that contract anywhere except the city of St. Louis?

Answer. No other places; except recently, by order of Major Allen, they have been delivering at Cairo, and some other places about there.

Question. At the same prices?

Answer. Yes, sir.

Question. Are you aware of the fact when that order was made in reference to delivering hay at Cairo?

Answer. It was about a week ago that Major Allen came to me and inquired if that hay was deliverable at any other place than St. Louis. I told him I believed it was to be delivered within two miles of the court-house in St. Louis. Holmes was with him. He said Holmes proposed to deliver what we did not want here below, and that perhaps we had better do it. I believe Allen gave Holmes an order to do so.

Question. Then he ordered the delivery of hay at Cairo to be made under a contract, at the rate of \$17 95?

Answer. Yes, sir.

Question. Did you not know that hay could be delivered at Cairo at less price than it could be delivered here?

Answer. It ought to be.

Question. Did you not know that it could be delivered there three dollars a ton less?

Answer. I think it can be.

Question. Did you mention that fact to Major Allen?

Answer. I did.

Question. Did you not say to him that there would be a saving to the government of three dollars a ton, by contracting to deliver at Cairo instead of delivering at St. Louis?

Answer. I do not recollect that figures were used, but the fact was mentioned that hay could be delivered cheaper at Cairo than here. That is the most I recollect about it. Some other conversation passed in this wise: He inquired what number of horses General Meigs meant to provide for here. In round numbers Meigs meant to provide for 10,000 horses. Allen immediately remarked, "There are not half that number of horses here to feed." I said there are not. In giving the order, Allen had in view, I know, the unnecessary accumulation of forage here, which we would have to ship away at our own expense, and he preferred that the contractors should do it at once. We had sent 3,000 bales from here only three days before, and he gave the contractor the privilege of delivering it there instead of here.

Question. This hay was to be delivered, according to contract, in such quantities as you required, and at such times?

Answer. Yes, sir.

Question. They had not the right to accumulate beyond what you needed at a particular time?

Answer. They had the right, in the aggregate, to put in a certain amount during the time.

Question. During what time?

Answer. Up to the first of March.

Question. By the terms of the contract were you required to receive 10,000 tons, or was that simply the limit beyond which they were not entitled to go?

Answer. The advertisement read about 10,000 tons.

Question. Then by the terms of the contract the government could put an end to the amount received at any time?

Answer. Yes, sir; you might do so unless you should cut them off after furnishing only a very small quantity.

Question. Between this and the first of March will the government need 10,000 tons at this post?

Answer. Not from present appearances.

Question. Then the present contract was unwise upon the part of the government?

Answer. No, sir; because we then expected that 6,000 cavalry would draw upon this place permanently and constantly.

Question. You think the government would be in justice bound to receive at least one-half of that amount of hay?

Answer. Yes, sir.

Question. If, however, the government could procure hay delivered at Cairo for \$15 a ton, do you not consider it the duty of the government to procure it delivered there?

Answer. Certainly; the contractor has not a shadow of a claim, under the contract, to deliver hay at Cairo at the same price, nor indeed does he claim it as a right, nor was permission given under a claim of right. The contractor reported a certain amount of hay *en route* here, and we were receiving requisitions every day for hay at points below this. Two days before we had shipped three or four thousand bales to lower points, at the government expense, and it was in that view, I believe, that Major Allen permitted the contractor to deliver hay at Cairo. I did not hear the order given, but I know it was the impression left upon my mind that the contractor might deliver the hay there.

Question. They were not entitled to deliver hay here in the quantities they were delivering it?

Answer. No, sir; not at this place.

Question. And you were not ordering it as fast as they were delivering it.

Answer. We were not; but they were not delivering hay more rapidly than we would want it if we were to fill these requisitions from below.

Question. Did these contractors propose to make any deduction for hay they delivered at Cairo?

Answer. Not a word was said about it.

Question. You asked them to make no deduction.

Answer. We did not.

Question. Nor Major Allen?

Answer. No, sir.

Question. Were not both of you aware of the fact that hay could be delivered in Cairo cheaper than at this point?

Answer. I do not know that I knew the fact; I had addressed a letter to General Smith, at Paducah, and to General Grant, at Cairo, a few days before this order to Holmes was given, requesting them to advise me about the consumption of forage, grain, and hay at their respective posts, per week, and also to state at what prices the sev-

eral articles could be bought from the surrounding country. Neither of them have answered those letters. I had two reasons for addressing those letters to those officers ; in the first place, parties had proposed to deliver hay there at the same rates we were paying for it here.

Question. These same contractors ?

Answer. No, sir ; some other parties ; and about the same time I got a requisition for some grain and hay for Cairo. For those reasons I wrote to ascertain what those articles were worth within their reach, and how much they would require weekly.

Question. If it was a condition that those parties should deliver their hay promptly, and in large quantities, and they could deliver it cheaper at Cairo than here, and if, also, the price of hay had declined, would it not have been just and fair to the government to have delivered it at points on the river below at such a reduction as would result from those facts ?

Answer. Yes, sir.

Question. And yet you heard no such proposition from them or from the quartermaster in this city, in connexion with that subject.

Answer. I did not.

Question. Suppose the government can buy hay there at \$15 a ton, would it not be the policy of the government and of the quartermaster in this city, to procure such hay in that manner rather than in the manner in which it is now procured ?

Answer. It undoubtedly would ; the policy is to advertise for the hay needed at those points.

Question. Is it your present policy to advertise for the hay you want there ?

Answer. It ought to be ; this arrangement was merely acquiesced in for the exigency of the moment, as I understood from Major Allen, and not to be continued longer than was necessary to supply pressing wants.

Question. Was that price considered high and exorbitant at the time the contract was entered into ?

Answer. I think it was.

Question. Do you know the quality of the hay which has been delivered under the contract ?

Answer. It is inspected carefully.

Question. Inasmuch as the government may transport more or less of this hay to various distant points, is the subject of the mode of baling this hay mentioned in the contract ?

Answer. No mode of baling is prescribed in the contract. When he wrote the contract it was not supposed that we should supply any but the most contiguous positions.

Question. Are you aware of the fact that there is now at Jefferson City a large quantity of hay which has been delivered for the quartermaster there, and which is lying upon the wharf rotting, and that a very large quantity of grain is in the same condition, and that they are now almost worthless ?

Answer. I do not know the fact now. I was at Jefferson City about

the 12th of this month, and I found a vast deal of freight of every description upon the wharf, including commissary stores, hay, grain, &c. I had much of it, during the time I was there, sent forward, and I left a man there to assist the quartermaster to get the balance off the levee, and I suppose by this time it is actually cleared away.

Question. Was not the grain sprouting in the bags?

Answer. Only now and then was that the case with a bag that had got into the water.

Question. Had not the hay been exposed to the rain many days?

Answer. Some forty or fifty of the bales appeared to have been in the rain; but upon pulling lots of hay out of the middle of the bales I found that it was good hay. I have no doubt that a good deal of property has been spoiled there. It was almost impossible to get trains to carry it out to Tipton. I had fifty cars loaded with hay and grain while I was there. There came an order to Jefferson City from headquarters not to send any more grain forward; and I sent the same message here, in order to stop sending it up there. The grain and hay that was at Jefferson City I think never went there under the Holmes contract. The day before General Frémont went from here he said he would want a considerable amount of forage at Jefferson City; and I ordered one boat-load from the storehouse to be sent up there, supposing that would be sufficient. Two days afterwards Mr. Joseph Palmer came to me, and said he had an order to furnish one hundred thousand bushels of grain at Jefferson City, and a proportionate amount of hay. I stopped loading any more grain and hay for Jefferson City at once. I sent for Palmer's order. It was a telegraphic order, which I read and handed back to him. I told him to go on and fill the contract. The telegram was from I. C. Woods, by order of General McKinstry. The purport of it was this:

"To M. Beard: SIR: By order of General McKinstry, you will send forward here (Jefferson City) one hundred thousand bushels of oats, and a proportionate quantity of hay."

Question. Why was that order addressed to Beard, rather than to yourself, as acting quartermaster in this city?

Answer. I cannot tell. It should have come to me, of course. I read it carefully, and studied it for ten minutes. I saw clearly it was an order outside of anything I had to do with. So I told him to go on and fill the contract, and I stopped any more grain going from here under the regular contractors.

Question. So you suppose that this hay and grain you found upon the wharf at Jefferson City was a part of the hay and grain shipped by Palmer?

Answer. I do not think it was hay delivered under Holmes's contract.

Question. Was the quartermaster's department here at that time entirely able to have furnished any amount of hay and provender which might be required at Jefferson City?

Answer. We were able to furnish any amount of hay, but I do not think we could have furnished any amount of grain, as the contractors had not then delivered very much.

Question. You had, then, the same facilities for getting it that Palmer and Beard had.

Answer. Yes, sir.

Question. What do you understand to be the object of making a requisition in that way, instead of making it upon the regular quartermaster's department at St. Louis?

Answer. I cannot tell the object. McKinstry knew that I was here, and he knew he placed me verbally in charge of everything here.

Question. Were either Palmer or Beard sworn officers of the government, or under bonds in any way to the government for the faithful performance of their duty?

Answer. I presume not.

Question. In what way was the interest of the government advanced by that way of doing business, or in what way would it be prejudiced?

Answer. It would not be advanced at all, but would be prejudiced, by throwing into the market here purchasers to compete, as it were, with the government itself.

Question. As a United States quartermaster, in your judgment, was not that irregular, injudicious, and adverse to the interests of the government?

Answer. Certainly it was, and tended to corrupt favoritism in contracts. It tended also to advance the price of grain.

Question. Who is this I. C. Woods?

Answer. He has been, since I knew him, the military secretary of General Frémont.

Question. Is he a permanent resident of this city?

Answer. No, sir; I knew him in Mexico, ten or twelve years ago, in charge of General Frémont's mail company. I have never particularly known him personally.

Question. Have the accounts of Beard and Palmer, for this hay and other provender, been furnished to your office?

Answer. I have never seen them.

Question. They would necessarily pass through your office for adjustment?

Answer. Not necessarily. They might go directly to Major McKinstry.

Question. Do I understand you that General McKinstry is quartermaster now?

Answer. I have seen no order from any source relieving or exempting him from quartermaster's duties.

Question. Then you understand him to be quartermaster now?

Answer. He signs himself quartermaster in some instances.

Question. How recently has he done that?

Answer. I think he did it while he was at Jefferson City or thereabouts.

Question. Has he received and accepted the appointment of brigadier general?

Answer. Yes, sir.

Question. Then, according to your understanding, General McKinstry might adjust and pay those accounts in the ordinary way in which accounts are adjusted and paid by the quartermaster's department?

Answer. An answer to that question involves some intricate considerations. General McKinstry is quartermaster in the United States army—under bonds as such. There have never come, to my knowledge, any orders or instructions relieving him from those duties. Now, whether his acceptance of the commission of brigadier general, and going into the field in command of troops in line, will exempt him from that, I cannot say. It certainly is meant to do so, and it usually would supersede entirely his business as an administrative officer. But he has appeared to me to exercise the double duty of commander and quartermaster.

Question. Are not the two offices, under the theory of military administration, inconsistent with each other—in your judgment as a military man?

Answer. Yes, sir. A quartermaster is subordinate to a commander, and acts by his instructions, and for a commander to become his own instructor is quite an anomaly in our service.

Question. Major Allen has now superseded him as chief of the quartermaster's department of the west, but still you think McKinstry continues to act as quartermaster?

Answer. I think he does, but still he may not.

Question. I ask you now whether or not, as far as your knowledge extends, there was any unfairness, or corruption of any kind whatever, in connexion with this contract for hay, in the reception of the bids or in the acts of the parties obtaining the contract?

Answer. There was none whatever. I never in my life tried to open bids, to get the bidders present, and to do the thing perfectly satisfactory to every one, than on that occasion.

Question. Do you know, or were you apprised, or had you any reason for believing, that there was any corrupt combination of bidders for the purpose of defrauding the government?

Answer. I do not know of any, and never heard of any.

Question. How did it occur that the advertisement for proposals was confined to one single State, instead of being advertised at different points throughout the west? Do you consider that the interest of the government was promoted by that line of policy, and do you know that this advertisement was confined to the States of Illinois and Missouri?

Answer. I will state the whole circumstances in reference to the advertisement. General Meigs sent for me on the Sunday while he was here, and asked me many questions as to the condition of the department in reference to supplies. I told him that, so far as I knew, the supplies had been furnished by proper purchases in the market. "But," said I, "General, it was remarked to me last week by General Frémont that there was going to be required here large amounts of hay, grain, and fuel this winter, and I think probable that advertisements should be made for proposals to furnish those

supplies." He replied, "Of course, it should be done." I remarked that I was not the chief of this department. He replied that he himself would advertise for those supplies on the spot. He directed me to sit down at the table and write from his dictation. I wrote the advertisement for hay, oats, and fuel at his dictation. The advertisement set out in the testimony of Mr. Cochrane is a correct copy of the advertisement which I wrote. General Meigs signed it. We then entered into half an hour's calculation to see, from the verbal data given to me by General Frémont a week before, what amount would be required here. General Meigs said the advertisement should be spread broadcast over the country. I myself suggested the papers in which the advertisement should be published, and suggested no more, because it did not occur to me as necessary, than the Springfield Journal, the Chicago papers, the St. Louis Republican, and the St. Louis Democrat. Other conversation passed between General Meigs and myself as to the probable future wants as to forage at points on the Ohio and Mississippi below. Without recollecting the exact conversation, I know his impression and views at that time were that, ultimately, advertisements for proposals to deliver at those points would be issued instead of those places being supplied from this point.

Question. Why has not that been done?

Answer. I expect I am more at fault about it than anybody else. I have been so busy that I have hardly had time to think, and in the multitude of cases some things are not attended to. I should have informed Major Allen of General Meigs's views. I supposed, however, he was thoroughly posted as to General Meigs's views, and I have not forced the matter upon his attention. I have had an advertisement already written in my desk, and have had it there some time, and was only waiting to get replies to the letters I addressed to General Smith and General Grant.

ST. LOUIS, *October 28, 1861.*

FRANCIS KAPPNER, being duly sworn, was examined as follows :

Question. State the official position you occupy in the army of the United States.

Answer. I am major of engineer corps.

Question. From whom did you receive your appointment?

Answer. From Major General Frémont.

Question. Have you a copy of your commission here?

Answer. I have not. The original is at my home.

Question. What is the date of that commission?

Answer. As captain from July 12, 1861.

Question. Is that the rank you now hold?

Answer. I am now major.

Question. Who advanced you from the rank of captain to that of major?

Answer. General Frémont.

Question. Is it a subsequent commission conferred upon you since your commission as captain?

Answer. Yes, sir.

Question. What has been your command since you have been here, and what have been your duties?

Answer. As captain, I was commanded to proceed to Cape Girardeau and fortify that point.

Question. When did you go there, and how long did you remain there?

Answer. I went there the 1st of August, and was recalled from there to St. Louis the 16th of August to attend to the fortifications here.

Question. What was the character of the works constructed under your directions at Cape Girardeau?

Answer. One entrenched camp connected with the fort.

Question. In what manner were those works at Girardeau constructed, by contract or by day's work, and how was it paid for?

Answer. As long as I was there I only employed soldiers, because, expecting an attack every moment, we had no time to make any other arrangement.

Question. What do you mean by employing soldiers?

Answer. I made them work.

Question. Did you pay them additional wages?

Answer. I did not.

Question. Were you enabled through the soldiers who were at Cape Girardeau to construct all the necessary works for the defence of the place?

Answer. When I left the works were not finished, but so far as they had progressed I employed soldiers, and nobody else.

Question. Was the building the fort any expense to the government, outside of the expense of keeping the soldiers there?

Answer. None beyond the expense of materials and tools.

Question. Was there any difficulty in the construction of those forts by soldiers?

Answer. We had a great deal of trouble with the men, because they were not used to that kind of work, and did not understand it; but that was all.

Question. Did you suppose it to be necessary at any time to employ common laborers about the town to do that work?

Answer. Not during the time I was there.

Question. Were you not able to carry on the work entirely to your satisfaction as an officer solely through the employment of the labor of soldiers?

Answer. Yes, sir; I could do it to my satisfaction.

Question. When you left there under whose charge did you leave the construction of those works?

Answer. Captain Flad, a German.

Question. What was the position of Captain Flad?

Answer. He was captain of engineers.

Question. From whom did he hold his appointment?

Answer. From General Frémont.

Question. What service were you in in the old country?

Answer. From 1813 I served five years with the Prussian cavalry; from 1818 to 1848 I served as engineer officer in the Austrian army; from 1848 to 1849 I served with the Hungarian army. I am Prussian by birth.

Question. Were you in the revolution there?

Answer. I was major of engineers in the Hungarian revolution.

Question. Did you leave that country on account of political troubles?

Answer. Yes, sir.

Question. At what time?

Answer. I left the Hungarian service at the time Kossuth did?

Question. How long have you been in this country, and where have you resided since you have been here?

Answer. I remained two years in London, and arrived in the United States in 1853.

Question. In what portion of the United States have you resided since that time?

Answer. In New York. When General Frémont returned from Washington to New York I was called upon.

Question. About what time was that?

Answer. About the 10th of July last.

Question. At that time did you receive your commission from General Frémont?

Answer. Yes, sir.

Question. Had you known General Frémont previous to that time?

Answer. No, sir.

Question. Through whom were you introduced to Frémont?

Answer. By General Asboth.

Question. Who was General Asboth?

Answer. He had been in the Hungarian service.

Question. How long had General Asboth been in this country?

Answer. He came to this country at the time Kossuth came.

Question. What position does General Asboth hold in the American army?

Answer. That of brigadier general, I suppose.

Question. From whom does he hold his appointment?

Answer. I do not know, but I think from General Frémont.

Question. What military position did General Asboth hold in the service when you were together in the old country?

Answer. He was general adjutant of Kossuth.

Question. Where has he resided since he has been in this country?

Answer. In New York for the most part.

Question. Has he been in Kansas?

Answer. I believe he has.

Question. What has been your command and duty in St. Louis?

Answer. When I came from Cape Girardeau I was ordered to erect these fortifications, and make some plans for them.

Question. Had anything been done in regard to the erection of these fortifications before you returned from Cape Girardeau?

Answer. Forts Nos. 3 and 4 had been commenced through Colonel Hassendeubel, but I had to alter his plans.

Question. How much had been done on those two forts?

Answer. They were but just commenced, and work had not been done on them more than two days.

Question. Had Colonel Hassendeubel made plans for those forts previous to that time?

Answer. He had no plans.

Question. Were the works commenced without any plans?

Answer. They only just measured off the work upon the ground.

Question. Had they no plan before the ground was measured off?

Answer. No, sir.

Question. Had they made no estimate of the cost of the work?

Answer. No, sir.

Question. How were the men who were engaged in laying off this work employed, and how were they paid?

Answer. They were paid afterwards for their two days' labor.

Question. Finding these two forts commenced when you came here, what did you do?

Answer. I made drawings of the fortification, and according to those drawings the work was commenced and carried on.

Question. Who directed the erection of those fortifications, and what orders did you have as to the places where they were to be erected?

Answer. The location had been fixed previous to my arrival here. The works are being erected by order of General Frémont. A commission, I understood, decided about the location.

Question. Of what officers did that commission consist?

Answer. I cannot say positively, because I was not here; but, so far as I understand, it was composed of General Asboth, Colonel Has-

sendeubel, and Colonel Fiala. I think there were others whom I do not know.

Question. Were any of those others regular officers of the United States army?

Answer. I do not know the names of any except those I have mentioned.

Question. Do you know whether any estimate was made of the cost of the work?

Answer. I do not.

Question. Had the location of these forts been determined upon at the time you were recalled from Cape Girardeau?

Answer. Yes, sir; the location of all of them.

Question. Then what did you do in reference to laying out the forts?

Answer. I made the plan, made out the drawings, and laid out the ground.

Question. In what manner were those forts constructed; by contract or by the employment of men by the day, or by the soldiers?

Answer. As already stated, Nos. 3 and 4 had been commenced by day's work, and I continued that course. I also pursued the same course in reference to forts Nos. 1, 2, and 5.

Question. Who employed the hands?

Answer. The workmen on Nos. 3 and 4 had already been employed by Hassendeubel; the others I employed.

Question. Your operations, then, upon those forts were confined to Nos. 1, 2, 3, 4, and 5?

Answer. Yes, sir.

Question. Who superintended the work itself?

Answer. I did.

Question. What price was paid to the laborers thus employed, and were soldiers employed, or laboring men about the city?

Question. At Nos. 3 and 4 they had one company of pioneers. All the rest of the work was done by workmen employed from about the city?

Question. At what price?

Answer. At 75 cents for a day's work, and 90 cents for a night's work.

Question. What number of men, upon an average, were employed upon the five forts?

Answer. The number varied greatly; from 200 to 250 and 300 upon one fort.

Question. By what particular officer of the government were these laborers paid, and in what manner and by whom were the pay-rolls made out?

Answer. The pay-roll had been made out on Nos. 3 and 4 by the clerk in the office of the engineer corps?

Question. What was the name of the clerk?

Answer. Mr. Leaport.

Question. In what manner was the pay-roll for the other forts made out?

Answer. At the other forts they had to make out the pay-rolls at

the fort, send them to the office to be rectified, and a record made of them.

Question. But payment was made at the same office for all five of the forts?

Answer. The first pay-roll of Nos. 3 and 4 was paid at the forts by Colonel Hassendeubel, and the second payment on all five forts was made by myself on pay-rolls which had been made out by Colonel Hassendeubel, and with money drawn from Captain Turnley.

Question. From whom has all the money been received which has been paid out to the workmen on those forts?

Answer. The money for the first payment, \$3,000, was received from the office of Quartermaster Davis at headquarters. For the second payment the money was received from Quartermaster Turnley, and part payment on the third pay-roll has been made by Major Allen—some \$5,000.

Question. How much money did you receive from Captain Turnley?

Answer. I cannot say; it was the amount of the pay-roll.

Question. Was it not \$66,000?

Answer. No, sir; I think it was about \$7,500.

Question. Then you have received, to pay out to the men employed upon the five forts, \$3,000 from Captain Davis, \$7,500 from Captain Turnley, and \$5,000 from Major Allen. Are those the only sums of money which have been received and paid out for labor upon those five forts?

Answer. It is. The remainder is yet owing to the men.

Question. Are those five forts completed?

Answer. Yes, sir.

Question. Was all the work done upon those five forts done by men employed by the day?

Answer. Yes, sir; the digging and intrenchments and embankments were done by day's work.

Question. What portion of the work was not done in that manner?

Answer. The block-houses and cisterns to forts Nos. 1 and 2.

Question. Were the block-houses and cisterns in the other forts done by day's work?

Answer. Yes, sir. I had to do those by contract in Nos. 1 and 2, because the pioneers were ordered away.

Question. Who made the contract for building the block-houses and cisterns in forts Nos. 1 and 2?

Answer. It was made by Heckwolf at headquarters.

Question. At what price were they built?

Answer. The contract was given at so much per thousand feet of wood.

Question. How much per thousand feet?

Answer. Six dollars per thousand for the work.

Question. What was the cost of doing the work upon the block-houses and cisterns at forts Nos. 1 and 2?

Answer. I cannot tell; the work is just finished and it is yet to be measured.

Question. How much is yet due to the workmen who worked upon those five forts?

Answer. I cannot say, because the last pay-rolls have not yet been made out.

Question. Who contracted for all the lumber necessary to be used upon all the forts?

Answer. The contract was made with Mr. Shulenberger.

Question. At what price?

Answer. At the market place.

Question. Has he been settled with yet?

Answer. No, sir.

Question. At a rough estimate, what is the cost of each one of those forts?

Answer. I should think about \$60,000 for the five forts: I think that sum will cover the entire cost.

Question. How many forts besides those five have been built by the government here?

Answer. Five others.

Question. When was the work on those others commenced?

Answer. About the end of August or first of September.

Question. Who drew the plans for those forts?

Answer. Colonel Hassendeubel had plans for them made after my plans; I was so busy I did not want to make plans for those forts.

Question. Did you superintend the construction of these other five forts?

Answer. Yes, sir; as long as Hassendeubel was here he was superintendent, but after he left I superintended all of them.

Question. Were the last five forts in progress at the same time that the first five were?

Answer. Yes, sir.

Question. Did you employ men to do the work upon them in the same manner that you did in the construction of the first five?

Answer. I superintended no workmen; I only detailed one officer to see to the construction of each fort.

Question. Were those forts constructed by contract?

Answer. They were.

Question. Who had the contract for the construction of those five forts?

Answer. I cannot tell.

Question. Who do you understand had the contract?

Answer. I do not know his name; I saw the men at the forts when I inspected them; I know them by sight, but I had no communication with them; the officers in the fort would know.

Question. How many of those last five forts have been completed?

Answer. They are all finished, with the exception of some small matters.

Question. Are the last five forts more extensive works than the first five; and did their construction cost more?

Answer. I cannot tell; I do not know how much the contractor got.

Question. Would the actual cost of building the forts be more?

Answer. They would not cost more ; they would cost in proportion to their size.

Question. Are they larger or smaller ?

Answer. The first five will average one-fifth larger than the last five.

Question. Then what would be the fair cost of constructing those five last forts ?

Answer. I cannot tell without making an estimate, because the cost of constructing forts depends a great deal upon the surrounding country—whether they have to be greatly elevated, and whether the material has to be carried a great distance.

Question. You have examined all those forts ?

Answer. Yes, sir.

Question. You have seen them during the progress of their construction from time to time ?

Answer. Yes sir.

Question. Now, then, according to your best judgment, what would be the fair cost of constructing those five forts ?

Answer. I could hardly tell without making an estimate.

Question. If the cost of the first five was \$60,000, would the cost of the construction of the last five, taking into consideration the cost of labor and the condition of the ground, cost more than \$60,000, or less ?

Answer. If I had constructed them I do not think they would have cost more than that.

Question. Taking into consideration the price of labor at the time those forts were constructed, and the price of materials, in your judgment could those five last forts have been constructed by employing men by the day for \$60,000 ?

Answer. I think so.

Question. Considering the price of labor, the character of the excavation, and the distance the earth had to be removed, what would be a fair average price per cubic yard for making the excavations on the last five forts ?

Answer. For the excavation alone forty-five or fifty cents.

Question. And how much for making the embankments ?

Answer. Forty-five or fifty cents per yard.

Question. That is to say, for excavation and throwing the same earth up to make the embankment it would be worth about ninety cents per cubic yard ?

Answer. I think so, including the sod work.

Question. What would be a fair price for puddling the earth per cubic yard ?

Answer. I know nothing about that.

Question. Is there not puddling done on the works of those forts ?

Answer. I do not know.

Question. What would it be worth per square yard for putting on the sod ?

Answer. I could hardly say, as the work of that kind I did was done by day's work.

Question. Upon a rough estimate, what would it be worth?

Answer. That would depend upon how far the sod had to be carried. For those forts it would probably be worth eighteen or twenty cents per square yard.

Question. What would it be worth per square yard for paving the walks and the yard floors of the block-houses with gravel?

Answer. I cannot tell.

Question. In your judgment, what would it be worth?

Answer. From nine to ten cents per square yard.

Question. What would it be worth to build the cisterns for holding water, per cubic gallon?

Answer. About \$150 would be a fair price for a cistern holding 7,000 gallons, which would be about two and one-seventh cents per gallon.

Question. What would be the fair cost of all the wood work about those last five forts, including block-houses, sewers, and officers' quarters, per 1,000 feet?

Answer. From \$35 to \$40.

Question. What would a three-ply gravel roof be worth per square of one hundred superficial feet?

Answer. About four or five dollars.

Question. In answering this question as to the cost of excavation and making embankment, what did you take into consideration?

Answer. I included the digging out the earth, throwing it up, and the sodding of the embankments.

Question. Then the whole earthwork you estimated at ninety cents per cubic yard?

Answer. Yes, sir; everything.

Question. In what manner and by whom was the work measured and the estimates made for the contractor for the last five forts?

Answer. When Hassendeubel left I appointed a man to superintend those forts, and he received an order a few days ago to go to work and find out all the different dimensions. But that man is now himself going to leave for the army.

Question. Who is he?

Answer. Mr. Hoeffler.

Question. He was appointed by yourself?

Answer. Yes, sir.

Question. At whose instance was that appointment made?

Answer. At nobody's instance. It was my own appointment, and I considered it my duty to make the order.

Question. Has any one furnished the contractor with any estimates yet?

Answer. Not so far as I know.

Question. How much has the contractor already received upon the work he has done?

Answer. I do not know.

Question. Did he employ men by the day to do the work, or were soldiers also employed upon the last five forts?

Answer. I do not know.

Question. Could you have employed soldiers upon your work?

Answer. I might have employed soldiers just as well as workmen, but only during their leisure time. They never have worked as soldiers, but I might have employed them.

Question. Has there been quite a large body of soldiers in St. Louis ever since the work of constructing these forts commenced?

Answer. When the work was commenced there were but very few here.

Question. From the first of September, when the work on these five last forts was commenced, what has been the average number of soldiers in and about St. Louis?

Answer. I cannot tell.

Question. Has there been a large body?

Answer. There have been but few here. Nearly every soldier here was sent to Cairo.

Question. Since the first of September have there not been at least 5,000 soldiers in and about St. Louis?

Answer. I cannot tell.

Question. Why were not soldiers employed in constructing those first five forts, as you employed them in constructing the fort at Cape Girardeau?

Answer. The troops at Cape Girardeau were stationed there before the fortification was commenced.

Question. Has there not been a large body of troops at the arsenal, at the headquarters, and other points, in and about St. Louis, ever since these works were commenced?

Answer. There has never been more than a picket guard here.

Question. How many men have you had, and how many have you now watching and guarding those forts?

Answer. The first regiment of artillery is guarding them.

Question. Why has it happened that soldiers were not employed in constructing those works, instead of employing men by the day?

Answer. Because we have had none.

Question. Have there been no soldiers here during the last two months?

Answer. Some; but they were kept moving. I cannot work with soldiers that come and go. Sometimes soldiers are marched in here and then are marched out again in a day or two.

Question. Is there not a large regiment of soldiers now in St. Louis who have been here for the last eight weeks?

Answer. I cannot say. I could only work with soldiers who could remain upon the works where they were employed. I have to instruct every individual soldier how to use his tools, and what work he has to do, and it takes three or four days' instruction before they are fit to work.

Question. For what purpose, and with a view to what object, were these forts constructed?

Answer. The forts have been constructed to defend the city against the enemy with a small number of men.

Question. Is not the city itself under the guns of those forts?

Answer. The parts lying outside of those forts are.

Question. Are not the forts constructed so as to command the city of St. Louis?

Answer. Partly. In case of a revolution in the city, the city could be bombarded by those forts.

Question. The city of St. Louis, then, is under the fire of the forts?

Answer. Yes, sir.

Question. In your opinion, as a military man and an engineer, where a city is surrounded by rivers, if fortifications are made for the defence of that city, are not those rivers the places where a military man would place those defences?

Answer. That would depend upon circumstances.

Question. You are acquainted with the topography of the country and of the rivers around St. Louis?

Answer. Yes, sir.

Question. Now, in view of that knowledge, answer the previous question.

Answer. It would not have been preferable to construct the forts on the river, because the enemy might come in on the other side. The forts from one to ten secure the Mississippi.

Question. How is it in regard to the other rivers which surround St. Louis?

Answer. To fortify St. Louis on the rivers would require a much greater line of forts than we have now, because if the city was only fortified at one point on those rivers, the enemy might come in at another. It is easier to defend a small circle—an inner circle—than a larger circle.

Question. Could not forts have been constructed upon those rivers, commanding the great lines of travel, so as effectually to have protected the city?

Answer. They would not have protected the city unless they were so close together that one would protect the other, and that would have required an enormous number of forts.

Question. Would not a few forts upon the great rivers have answered the purpose?

Answer. No, sir; for the reason that they could have been evaded.

Question. Is a force now being organized for the purpose of occupying those forts?

Answer. Yes, sir; the first regiment of artillery, 1,800 men.

Question. To what extent is that force already organized?

Answer. 1,300 men are already enlisted. There are 80 or 90 men in each fort now.

Question. Are they being organized as a military body—as a portion of the military force of the United States for general service, or only for the special purpose of occupying those forts?

Answer. I cannot tell.

Question. In what manner are they sworn into the service?

Answer. I cannot tell; I think they are sworn in as a reserved corps.

Question. They would not be liable, then, to perform general military duty?

Answer. It is undecided yet, so far as I have heard, whether they can be ordered off or not.

Question. What officer is organizing that force, and is he subject to the orders of General Curtis, the commander at this post?

Answer. They are being organized by Colonel Armstead.

Question. Is he a Prussian officer?

Answer. He is a German by birth, and has been in this country over 40 years. He was in the Mexican war.

Question. From whom does he hold his commission in the army?

Answer. I do not know.

Question. How many officers are there in this corps of engineers to which you belong?

Answer. Between 35 and 40.

Question. From whom do those officers receive their commissions?

Answer. From General Frémont.

Question. Are they generally German engineers, and are they engineers connected with the regular army?

Answer. They are none of them regular army engineers. There are Americans among them, but none belonging to the regular army.

Question. What proportion of them are Germans, and what proportion of them native born?

Answer. Many of them were born here of German parents. Of native Americans, born of native American parents, there are only four.

St. LOUIS, *October 28, 1861.*

WM. HAHN recalled :

Question. State, as cashier of the quartermaster's department in this city, how much money you have paid E. L. Beard on his claim for constructing the fortifications in and around the city of St. Louis, and when the payments were made.

Answer. I paid him on the 3d of October, \$20,000; on the 5th of September, \$60,000; on the 29th of August, \$10,000; and on the 2d of September, \$15,000—making in all, \$105,000.

Question. It appears that \$66,000 were paid to Mr. Beard by Captain Turnley in connexion with the quartermaster's department. Was that \$66,000 a portion of the sums you have now mentioned?

Answer. No, sir.

Question. Will you produce a copy of the voucher upon which the first of those sums was paid?

Answer. The following is a copy of the order and receipt for the payment made August 29, 1861 :

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, August 29, 1861.

MAJOR: I am instructed by Major General Frémont to say that he wishes you to place ten thousand dollars (\$10,000) in any one of the banks of this city to the order of E. L. Beard, esq. He is the contractor for constructing the lines of intrenchments on the city limits.

Very respectfully, your obedient servant,

J. H. EATON,

Major United States Army and Military Secretary.

Major J. McKINSTRY,

Chief Quartermaster, St. Louis, Missouri.

A true copy.

WILLIAM L. HAHN.

Received, St. Louis, Missouri, August 29, 1861, of Major J. McKinstry, quartermaster, ten thousand dollars, quartermaster's funds, for which I am accountable to the United States treasury.

(\$10,000.)

E. L. BEARD.

A true copy.

WILLIAM L. HAHN.

Question. When was the second payment made?

Answer. It was made on the 2d of September, and the following is a copy of the order and the receipt upon which the payment was made:

HEADQUARTERS WESTERN DEPARTMENT,
St. Louis, September 2, 1861.

You will advance fifteen thousand dollars to E. L. Beard, the contractor for completion of the engineer works for the defence of the city.

J. C. FRÉMONT,
Major General Commanding.

Major J. McKINSTRY,

Quartermaster United States Army.

A true copy.

WILLIAM L. HAHN.

Received, St. Louis, Missouri, September 2, 1861, of Major J. McKinstry, quartermaster, fifteen thousand dollars, quartermaster's funds, for which I am accountable to the United States treasury.

(\$15,000.) (Duplicates.)

E. L. BEARD.

A true copy.

WILLIAM L. HAHN.

Question. When was the third payment made?

Answer. It was made September 5, 1861, and the following are copies of the order and receipt upon which that payment was made:

HEADQUARTERS WESTERN DEPARTMENT,

September 5, 1861.

You will advance \$60,000 (sixty thousand dollars) to Mr. E. L. Beard, contractor, as he informs me that without the advance of this sum he must discharge a large portion of his force, and thus delay the work on our fortifications.

J. C. FRÉMONT,

Major General Commanding.

Brigadier General J. McKINSTRY,

Quartermaster United States Army.

A true copy of original.

WILLIAM L. HAHN.

Received at St. Louis, Missouri, September 5, 1861, of Major J. McKinstry, quartermaster United States army, sixty thousand dollars, quartermaster's funds, for which I am accountable to the United States treasury.

E. L. BEARD.

A true copy.

WILLIAM L. HAHN.

Question. When was the fourth payment made, and upon what order?

Answer. It was made on the third day of October, 1861. It was made on the following order, which was turned over to Captain Turnley, but not paid by him for want of funds, as you will see by the indorsement on the back of it:

HEADQUARTERS WESTERN DEPARTMENT,

St. Louis, September 19, 1861.

You will cause the sum of thirty-five thousand dollars to be issued to E. L. Beard, contractor, as he informs me that without that further sum he will be unable to continue the building of the fortifications.

The sum paid Mr. Beard you will indorse on his contract with you for building fortifications.

J. C. FRÉMONT,

Major General Commanding.

Brigadier General J. McKINSTRY,

Assistant Quartermaster General U. S. A.

A true copy.

WM. L. HAHN.

[Indorsed.]

Captain Turnley, assistant quartermaster, will execute the order of the major general commanding.

J. McKINSTRY,
Brigadier General, Quartermaster.

ASSISTANT QUARTERMASTER'S OFFICE,
St. Louis, September 20, 1861.

I have not the funds on hand to fill this requisition; the sixty-six thousand dollars I turned over to Mr. Beard on the 12th instant exhausted my funds for that branch.

This will be filled by the first funds received available for the purpose.

I have not got, and have never been furnished with, the contract with Mr. Beard.

P. T. TURNLEY,
Assistant Quartermaster U. S. A.

Question. You paid those amounts out of the funds of the quartermaster's department?

Answer. Yes, sir.

Question. Did you understand that the money for the payment of erecting fortifications would come out of that fund?

Answer. I was directed to make the payments.

Question. Was that money appropriated by Congress for fortification purposes?

Answer. I do not know; some of that money was paid out of money we received from the banks in the shape of a loan.

Question. But the money obtained from the banks was for the legitimate purposes of the quartermaster's department, was it not?

Answer. Yes, sir.

Question. It was charged to that department, was it not?

Answer. It was.

Question. Was any estimate of the work which had been done on those forts ever filed in your office?

Answer. I do not know; they would not come to my department.

Question. To what department would they go?

Answer. To General McKinstry or to the chief clerk; I have seen no estimates.

Question. Do you know whether any were ever made?

Answer. I do not.

Question. Do you know whether Beard still holds a claim against the government for work upon those forts?

Answer. I do not.

Question. Have you understood that he asserts any such claim?

Answer. No, sir.

Question. Have you understood that the amount you have paid on that work covers his whole demand against the United States?

Answer. I have not.

Question. In paying out money as cashier, what kind of vouchers do you require?

Answer. We require that regular accounts against the United States shall be made out and certified to by the quartermaster to be correct; when I knew they were correct, McKinstry would sometimes tell me to pay them before they were certified to by him.

Question. Look at this account of A. Phillips for \$3,450, and state whether you paid it.

The following is a copy of the account handed to the witness:

The United States to A. Phillips, Dr.

May 25-27, 1861.—	1 sorrel horse	\$160
	1 ....do	140
	2 ....do at \$150	300
	2 bay horses, at 125	250
	1 bay horse	145
	1 ....do	135
	1 grey horse	165
	1 ....do	140
	2 bay horses, at \$150	300
	1 dark brown horse	135
	1 ....do	140
	1 bay horse	130
	1 ....do	125
	1 sorrel horse	155
	1 ....do	140
	1 bay horse	150
	1 ....do	145
	1 dark bay horse	155
	1 ....do	140
	2 bay horses, at \$150	300
	—	—
	24	3,450
	=	=

I certify that the above account is correct and just, and that the articles have been accounted for on my property return for the quarter ending June 30, 1861.

Received, St. Louis, Missouri, June 15, 1861, of Brevet Major J. McKinstry, assistant quartermaster United States army, thirty-four hundred and fifty dollars, no cents, in full of the above account.

A. PHILLIPS.

Answer. I paid that account.

Question. To whom?

Answer. To Joseph L. Pease.

Question. How does it happen that the money was paid to Pease instead of to Phillips?

Answer. Because he rendered the account.

Question. Had he any contract with the government for furnishing those articles?

Answer. I do not know.

Question. Did Pease have any such contract?

Answer. I do not know.

Question. How did it occur that you paid that account without its correctness being certified to by any person?

Answer. I presume I paid it upon the order of General McKinstry.

Question. Should not his name have been signed to the certificate which appears on the paper above your receipt?

Answer. That would be the place for it, but he frequently gave me verbal orders.

Question. Is that according to the regular course of business in the quartermaster's department?

Answer. No, sir; but in special cases I have paid bills without his certificate. But he had given me directions not to pay bills without his orders.

Question. Is it his duty to certify to accounts as just, and that the articles have been accounted for by him, before you are authorized to make payments?

Answer. That is the general rule of action, but there are cases in which payment is made without that certificate. He may have been very busy at the time, when he ordered such bills to be paid, knowing that they were correct.

Question. Is not this certificate universally attached to every account: "I certify that the above account is correct and just, and that the articles have been accounted for on my property return for the quarter ending — day of —?"

Answer. It is.

Question. Is it not right and proper, according to the course of business in the quartermaster's department, that that paper should be signed by the quartermaster?

Answer. In rendering his account to Washington, it would be necessary to sign that certificate.

Question. Is not that a voucher to you to pay the money?

Answer. No, sir; not always.

Question. Had you any right to pay without a written order?

Answer. Yes, sir. I was acting as agent for the quartermaster, and not for the government.

Question. What evidence, then, is there in your department, in connexion with the payment of that \$3,450, to show that those articles were ever furnished and received by the quartermaster?

Answer. I do not know what evidence there is about that particular lot.

Question. Ought there not to be some evidence about the department to show that that particular lot of horses, amounting to \$3,450, has been actually received?

Answer. Yes, sir.

Question. And where ought that evidence to be?

Answer. I may have it in my possession, but I cannot say. The account may have been rendered to Major McKinstry and he, satisfied of its correctness, gave me verbal orders to pay it.

Question. How can that account be paid by the government?

Answer. McKinstry will not ask it to be allowed without his certificate. In rendering his accounts to Washington, he will certify that account. That purchase was made under authority of General Harney, and his order is to go with that account. That is the cause of the delay in not sending these accounts to Washington.

Question. Look at this order to E. W. Fox for 30,000 overcoats, (presenting to the witness the order which will be found in the testimony of H. G. W. Clements,) dated September 2, 1861, and state in what manner the articles furnished under such a requisition as that were settled for; the person furnishing them being entitled to receive a fair mercantile profit?

Answer. None of those articles have been furnished to our department.

Question. To whom should they have been furnished?

Answer. To Captain Rankin, I suppose.

Question. Upon contracts of that kind in what manner do you adjust the amount to be paid?

Answer. Bills are sent to me from the chief clerk, called correct, and I examine the calculations to see that they are all right.

Question. Does the chief clerk adjust the principle upon which the settlement is to be made?

Answer. Yes, sir.

Question. Do you know what is regarded in your department as a fair mercantile profit?

Answer. I do not. When the accounts come to me, if I find any overcharges I cut them down, or refer them to the chief clerk.

Question. Do you recollect any instance in which you cut down a bill?

Answer. Yes, sir.

Question. In what instance?

Answer. I recollect that in one bill, the article of spades, for which we had been in the habit of paying a dollar, were charged at \$1 15 each, and I cut down the charge to one dollar.

Question. What other instance do you recollect?

Answer. I know we had some trouble about a charge for socks. The charge was 35 cents a pair, and I reduced it to the price we had been in the habit of paying, 28 cents a pair. He told me that they were a much better quality than had been before furnished, and in every respect worth the price charged. I remember also an item of pants from the price of which for the lot I deducted \$1,000, I believe.

Question. What was the charge in the bill as rendered?

Answer. Four dollars a pair.

Question. What was the price you had usually paid?

Answer. We had been paying other parties \$3 50 per pair.

Question. Did you reduce the price to \$3 50?

Answer. I reduced it to \$3 65.

Question. That was 15 cents per pair more than you had been paying others?

Answer. Yes, sir. In this particular case I thought the person was furnishing a rather superior article, and that he ought to have about what I allowed.

Question. Do you remember any other instances in which you reduced a bill?

Answer. I do not.

Question. Then you exercised the right to reduce the charges in a bill to what you considered a fair and reasonable charge?

Answer. No, sir; but I tried to make the charges agree with the prices we had been paying for the same articles.

Question. You have no idea then of what is regarded in your department as a fair mercantile profit; where persons are authorized to purchase for that kind of profit?

Answer. No, sir; I do not recollect ever asking a man how much he paid for his goods. I thought always we were paying as low a price as we could purchase the same articles in the market for.

Question. Did you ever go into the market to purchase directly?

Answer. Not since these difficulties sprang up.

Question. Look at this account (see account contained in Kelsey's testimony) and tell me whether that is one of the accounts paid by you; and if so, to whom it was paid.

Answer. Yes, sir; I paid that account to Pease.

Question. What evidence had you, at the time of paying it, that those articles had ever been furnished by Alexander Kelsey?

Answer. I had the same evidence that I had in reference to all my accounts, and that is the certificate of the chief clerk, or that of Major McKinstry, to its correctness. The original bill goes first to the invoice clerk; he invoices the property, ascertaining that it is all right, and then the bill goes to the chief clerk; he puts a certificate on it, and I settle the account.

Question. The name of McKinstry signed to this certificate is in his own handwriting?

Answer. Yes, sir.

Question. And he certifies to the correctness of the bill?

Answer. Yes, sir.

Question. And you paid the bill upon his certificate of its correctness?

Answer. I may have paid it upon the certificate of the chief clerk that it was correct, and without reference to McKinstry's certificate.

Question. Why is his name there at all?

Answer. Because it is necessary to have his name there in order to have the account settled in Washington.

Question. You would not pay it without his order?

Answer. Yes, sir; I would pay it upon his verbal order.

Question. Then you required either his verbal or his written order?

Answer. Yes, sir.

Question. What evidence have you, over and above that certificate of McKinstry, that those articles were ever furnished to the government by Kelsey?

Answer. When a person is ordered to furnish certain articles he is directed to deliver them at a certain place, and then they would send in their bills, together with dray tickets, or something of that kind, to show that the property was delivered; then, also, the officer receiving the goods would give his receipt that the articles had been delivered.

Question. What certificates of officers or others are there in your office showing the reception by the government of the articles contained in this voucher?

Answer. We have receipts for every article received.

Question. Can you furnish the receipts of officers for the articles enumerated in this bill of Kelsey?

Answer. I think so.

Question. What is the aggregate amount of money which your department has paid to Mr. Pease?

Answer. I do not know; probably \$80,000 or \$100,000.

Question. Can you ascertain precisely?

Answer. I can.

Question. What officer of the government determined the price of the various articles which Pease furnished?

Answer. Sometimes Major McKinstry did; if the article was furnished under contract, the contract determined it.

Question. After looking at your books, can you now tell me the amount of money paid to J. L. Pease by Major McKinstry's department alone?

Answer. Yes, sir; \$136,137 47.

Question. When was the last payment made to Pease?

Answer. On the 3d day of October. (On referring to the account of A. Phillips, in reference to that payment of \$3,450, I find that I did not pay it myself, but that it was paid by Major McKinstry.)

Question. Have McKinstry's accounts as quartermaster been settled?

Answer. No, sir.

Question. Why not?

Answer. In consequence of the pressure of business during the summer. Our business was so absorbing that it was impossible to bring up the accounts.

Question. What do you know about the order of General Frémont upon your department, or any part of it, for the payment of \$40,000 to Beard, upon account of erection of fortifications, since the payment of the \$105,000, in reference to which you have already testified?

Answer. I do not know anything about it.

St. Louis, *October* 28, 1861.

PETER CLARK, being duly sworn, testified as follows:

Question. What is your business?

Answer. I am employed as clerk in the quartermaster's department, under Captain Turnley.

Question. What are your duties?

Answer. I am auditing clerk of the quartermaster. My present duty is to examine all vouchers which are brought into the office, to see that they are correct, and to audit them so that they can be paid.

Question. Is the paper which you hold in your hand what it purports to be—an abstract of bids for hay, oats, and corn, opened at St. Louis, September 25, 1861?

Answer. It is.

Question. Were you present when those bids were opened?

Answer. I opened them myself.

Question. As the bids were opened, who took down this abstract?

Answer. The bids were taken down by a young clerk in the office, by the name of Cook, I think.

Question. How were they taken down?

Answer. As I broke the sealed proposals and read them, the clerk, sitting at my left, was directed to note down the names of the bidders, and he did so.

Question. Are the parties whose names appear on this list the parties who put in bids under the advertisement of General Meigs, and whose bids were opened at the time mentioned?

Answer. They are.

Question. Are the names put down in the order in which the bids were opened?

Answer. I think not.

Question. Were there any other bids than those opened at that time, and entered upon this abstract?

Answer. No, sir.

Question. State, then, how it happens that the bid of Holmes & Son seems to be interlined at the head of the abstract in different ink.

Answer. At the time those bids were opened there were a good many persons in the office. The doors were closed, and this young man was directed to sit down and take the names of the parties as they were called off; he did so. You will understand that the sealed proposals there were bids for hay, for corn, and for oats. Most of the bids were for each of those articles, while some were only for hay, some only for corn, and some only for oats. The young man took down the bids as they were called off. Afterwards I directed him to analyze the different bids, placing those for hay, those for oats, and those for corn separately. He did so, or attempted to do so. In taking up the bids for that purpose, I presume he did not take them up in the order in which they were called off. I recollect distinctly that the bid of Holmes & Son and Joseph S. Wood was the first one I opened. It was for hay, and oats, and corn, embracing

an offer for the whole quantity of all the articles. The young man made out the analysis, putting the bids for the different articles under a separate heading. In looking at the list of the bids for hay, I discovered that he had not put down the names of Holmes & Wood. Soon after that I made out a correct list, arranging all the bids on one paper.

Question. Is the paper you have with you the original list?

Answer. Yes, sir.

Question. Do you state that the first bid opened was that of Holmes & Son?

Answer. I do, for I distinctly recollect it.

Question. Did that bid contain a proposition for the delivery not only of hay, but of oats and of corn?

Answer. It did.

Question. If that bid was opened first, and it tendered proposals for delivering hay, as well as oats and corn, would it not have been entered upon the list of bids for hay first?

Answer. No, sir.

Question. Why?

Answer. The bids were opened and thrown upon the table, and the clerk entered them. I think he entered them on his list in pencil as they were called off. Immediately afterwards, and before he left his table, I think I directed him to arrange the bids and divide the different subjects, putting the bids for each article under separate heads. In taking up the bids from the table before him, I presume he did not take them up in the order in which they were opened by me; and in entering the bid of Holmes & Wood he omitted to read the offer contained in their proposal for hay, and for that reason he did not put down their names in the list of bids for hay.

Question. Were the bids indorsed "for hay," "for corn," and "for oats;" or were there no indorsements on them?

Answer. I think there were indorsements upon some of them, and upon some there were none—only a simple direction to the quartermaster's office.

Question. Was this bid of Holmes & Son, and J. S. Wood, the first bid of all that was opened?

Answer. It was the first bid I opened.

Question. Then, if it was the first bid of any kind you opened, why would it not have been at the head of the list of bids for corn?

Answer. I took up the bids as they were before me, and called them off. A young clerk, who sat to the right of me, was directed to take down the names of the bidders, and he did so. He ought to have taken down the names and the bids, as hay so much, corn so much, and oats so much. After all the bids were called off, I directed him to make out a correct list, separating the bids, and putting down on one list the names of the bidders for hay, on another the bidders for corn, and on still another the bidders for oats. In making up that list I suppose the clerk paid no attention to the order in which the bids were called off, for on looking over the lists he made I discovered that the names of Holmes & Wood were the last on the

list of bidders for corn; and I also discovered that he had omitted to insert their names at all upon the list of bidders for hay. I called the attention of the clerk to the omission, and he interlined the name of Holmes & Son at the top of the list. He might as well have put it at the bottom. In making up another list to send to Washington I made the abstract myself, putting the names of the bidders and their bids for corn, hay, and oats upon separate columns.

Question. You state that, as a matter of fact, the bid of Holmes & Wood was the first bid of all you opened?

Answer. Yes, sir; I recollect it distinctly.

Question. The bidders were all in the room at the time?

Answer. Yes, sir; all that were present at all.

Question. Will you furnish a copy of that original list of bidders for hay?

Answer. I will.

The witness subsequently furnished the following certified copy of bids for furnishing hay:

Abstract of bids for hay opened at St. Louis, Missouri, September 25, 1861, agreeably to General Meigs's advertisement, dated September 19, 1861.

Names.	Quantity.	Value.
Holmes & Son.....	10,000	\$17 95 per ton.
J. S. Barrenger.....	100	15 00 per ton; Hungarian hay.
John M. Giff.....	3,000	18 00 per ton; prairie hay.
Do.....	3,000	22 50
Edward Ulrich.....	10,000	18 45 per ton; mixed timothy and red top.
W. G. Wharton.....	5,000	18 80 do do do
Do.....	5,000	19 80 do do do
John D. Perry.....	2,500	19 50 do do do
M. S. Sullivant.....	500	19 75 do do do
J. J. & N. H. Mitchell.....	10,000	19 75 per ton.
M. L. Frisbee.....	1,000	20 00 per ton; prairie hay.
Do.....	1,000	23 00 per ton; timothy.
Fear & Heager.....	1,000	20 00 per ton.
C. L. Eaton.....	300	20 25 per ton; timothy and red top.
M. M. Dodds & Heman Sanford.....	1,000	21 00 per ton.
S. M. Edgell & Co.....	5,000	19 90 per ton.
Smith & Niles.....	1,000	21 00 per ton.
E. H. Ennis.....	500	21 00 per ton.
J. W. Parish.....	1,000	22 75 per ton.
Giles Heath.....	1,000	22 00 per ton.
Asa Eastman.....	1,000	24 00 per ton.
Isaac H. Sturgeon.....	5 to 10,000	24 50 per ton.
J. H. Alexander.....	10,000	90 per hundred pounds.
William Cranker.....	5,000	95 per hundred pounds; withdrawn.
Francis Faul.....	10,000	95 per hundred pounds.
Nicholas Walton.....	10,000	95 per hundred pounds.
A. M. Waterman.....	10,000	98 per hundred pounds.
R. D. Fenley.....	10,000	19 80 per ton.
E. L. Beard.....	10,000	21 50 per ton.
H. S. Stoddard & Co.....	400	1 10 per hundred pounds.
S. H. Wilmer.....	10,000	18 00 per ton.

ABSTRACT—Continued.

Names.	Quantity.	Value.
James E. Yeatman	9,000	\$22 50 per ton.
Do	1,000	19 50 per ton.
John Price	100	60 per hundred pounds.
Peter A. O'Neill	10,000	19 35 per ton.
A. DeGraff	10,000	21 00 per ton.
Ado H. Smith	10,000	18 00 per ton.
Fred. A. Churchill	10,000	22 50 per ton.
Pendleton & Jewett	10,000	22 00 per ton.
D. W. Ellithox & Co	3,000	20 00 per ton.
N. W. Graham	2,000	20 00 per ton.
H. R. Smith	1,666	70 per hundred pounds.
Do	1,667	80 per hundred pounds.
Do ^o	1,667	87 per hundred pounds.
Do ^o	1,666	95 per hundred pounds.
Do ^o	1,667	1 00 per hundred pounds.
Do ^o	1,667	1 05 per hundred pounds; average \$17 90 per ton.
T. B. Edgar	5,000	19 25 per ton.
John M. Filderman	5,000	95 per hundred pounds.

* Conditions.

I certify that the foregoing is a copy of a list of bids for hay, which were opened at St. Louis, Missouri, September 25, 1861, under proposals of General Meigs, published in the newspapers of St. Louis and elsewhere about the 19th of September last past; that the same is defective in this: that the bid at the head of the list purporting to have been made by "Holmes & Son," was, in fact, made by "Jos. S. Wood and S. Holmes & Son," as will appear by the original bid and a correct abstract of all the bids now on file in the office of General Meigs, quartermaster general of the United States, at Washington. It is also defective in this: that the bid of H. R. Smith, in different quantities, at an average price of \$17 90 per ton, was accompanied with such conditions, as to the delivery of the hay, as rendered the bid incompatible with General Meigs's proposals, which conditions are not stated in said list.

PETER CLARK.

Question. Were the bids, under this advertisement for proposals for furnishing hay, oats, and corn, filed at different places in the city of St. Louis; and if so, how did that occur?

Answer. The bids were filed in different rooms in the same building.

Question. What different rooms?

Answer. A part of the bids were opened in General McKinstry's room, and a part of them were opened in Captain Turnley's room.

Question. Which of them was, at the time the advertisement was published and at the time the bids were opened, the office of the chief quartermaster of the city of St. Louis?

Answer. McKinsty was the chief quartermaster.

Question. Then this bid you have referred to, and upon which you awarded the contract, was not filed in the office of the chief quartermaster?

Answer. No, sir; but in an adjoining office.

Question. It was not read off in the office of the chief quartermaster?

Answer. No, sir.

Question. And the contract was not awarded there?

Answer. No, sir.

Question. There were proposals filed, according to the terms of the advertisement, in the office of the chief quartermaster, were there not?

Answer. Yes, sir.

Question. They were opened?

Answer. Yes, sir.

Question. And read?

Answer. So I understood.

Question. State whether or not, in consequence of the confusion and dissatisfaction arising out of that fact, Major McKinsty did not propose to re-advertise.

Answer. The next day when I went in to see McKinsty about the matter of the contract, he told me there were bids also opened in his office. Indeed he handed the papers into our office to be listed with the others, and said that there were two men upon the list, as we would see, Wilder and Smith, who had bid for the hay at \$18 a ton, and that he had said to them, as they had both bid alike, that he who furnished the best security should have the contract. But in conversation with Captain Turnley about the misunderstanding by which bids were opened in the places, he, in substance, told Smith and Wilder, who were present contending about who should have the contract, that he was not aware of the bids being opened in the other room, and he did propose at first that it might be well to re-advertise, and directed me accordingly. After he reconsidered it, and concluded that the bids should remain as they were.

Question. Was he aware of the fact, before he made this final determination to let the bids stand as they were, that Holmes & Son, and Wood were the lowest bidders?

Answer. I suppose so.

Question. I notice in this list that the names of Holmes & Son, for 10,000 tons of hay at \$17 95, occurs at the head of the list; and also, that upon the list of bids for corn, occurs the names of Joseph S. Wood and S. Holmes & Son. State whether the bid was a joint bid for all the articles, and whether they were all enumerated in the same bid.

Answer. A joint bid, and all enumerated in the same bid.

Question. How, then, does it happen that the bid for hay is put down Holmes & Son, while the bid for corn, which was not awarded to them, was put down in the names of Joseph S. Wood and Holmes & Son?

Answer. Because Holmes & Son was the firm here in this city.

Question. Was there another firm of Wood, Holmes & Son?

Answer. I do not know.

Question. Who actually made the bid?

Answer. It was made, I think, by Holmes & Son, and Wood, altogether, and was made for the hay and oats and corn all at the same time.

Question. If that is the fact, how happened it that in this abstract you put down the bid for 10,000 tons of hay to Holmes & Son, only?

Answer. Because it is a mere abstract from which to make a more correct abstract.

Question. Are not the names upon the other lists—the lists for oats and corn—all correct?

Answer. Yes, sir.

Question. Then how did it happen that in that particular instance you got the name different?

Answer. Because the young man in noting their bid probably did not, in this instance, read the name correctly, or he may have desired to shorten the name.

Question. I understand you, however, to say that this bid was made by J. S. Wood and S. Holmes & Son?

Answer. Yes, sir.

Question. And that when you came to make out this abstract of bidders for hay you put the name in as Holmes & Son?

Answer. I am not certain that the proposal was signed by S. Holmes & Son and J. S. Wood, but when the contract was drawn up I know that Wood's name came in.

Question. There were 49 different proposals for hay, as appears by that abstract, at the time that abstract of bids for hay was made out; was the name of Holmes & Son upon it at all?

Answer. Undoubtedly it was. It was put on when the abstract was made out.

Question. Then how does it occur that that name is crowded in between two lines, and that it is written with a different pen and different ink?

Answer. It is the same handwriting. On looking at the abstract the clerk had made out of bidders for hay, I perceived that he had omitted their bid; whereas I perceived that he had inserted their names in the list of bidders for the corn and oats at the bottom of the list.

Question. When it was made out was the name of Holmes & Son on it?

Answer. When it was first made out it was not.

Question. Then I understand you to say that at the time when the abstract was made out the name of Holmes & Son was not there.

Answer. It was not.

Question. When was that mistake discovered?

Answer. It was discovered the same day, when I took the abstracts into my charge to discover who were the lowest bidders.

Question. How long after it was made out was that?

Answer. I presume before I took the papers from the room.

Question. Who was present at the time the mistake was discovered, and at whose suggestion was the name of Holmes & Son inserted?

Answer. Nobody's suggestion but my own.

Question. Did it not all occur after the bidders had left the room?

Answer. I suppose it did.

Question. If Clements, the chief clerk of McKinstry, went into your office and ascertained the fact that some person had put in a bid of \$17 80 per ton, how did that occur?

Answer. I cannot answer that question, for I do not think any such fact occurred.

Question. Did Clements come to your office to ascertain who was the lowest bidder?

Answer. I do not know that he did.

Question. Did you see Clements in your office on the day the bids were opened?

Answer. I do not know.

Question. Did he not learn from you, or from some person in your office, that the lowest bid in your office was \$17 80 per ton?

Answer. I presume not, for such was not the fact. There was no such bid. The bids were correctly put down on this list.

Question. What was said the same day the bids were opened, or on the next day, as to a bid turning up which had been previously overlooked?

Answer. I do not know anything of that kind. I immediately, under the instruction of Captain Turnley, took the papers to examine them, to see to whom to award the contract.

Question. Where do Holmes & Son reside?

Answer. I think they reside in this city, but I am not certain.

Question. Where does Joseph S. Wood reside?

Answer. My impression is that he resides in Illinois.

Question. Who is the security for the fulfilment of that contract?

Answer. The securities are John Wood and Henning & Woodruff.

Question. Where does John Wood reside?

Answer. I believe in Illinois.

Question. Now allow me again to repeat the inquiry how did it occur that the bid for hay was put down as made by Holmes & Son, and was interlined above the name of the first bidder who appeared upon the list originally, while in the bid for corn the name is inserted as Joseph S. Wood and Holmes & Son, when you say all the bids were in the names of the same parties.

Answer. I presume the name was put down correctly upon the list of bidders for corn, and its omission on the list of bidders for hay was a mere mistake, which I had corrected in order to make out a clear abstract of the bids, which I did shortly afterwards, and sent it on to Washington.

Question. Were any bids rejected entirely and filed?

Answer. There were several withdrawn.

Question. Was there not a bid put in which had some conditions attached, but which bid for the hay in the aggregate at \$17 80 per ton?

Answer. Yes, sir.

Question. Did you reject that?

Answer. Yes, sir; entirely.

Question. When?

Answer. The day after the bids were opened.

Question. How long after the bids were opened did you determine to award the contract for hay to Holmes & Son?

Answer. I think it was the next day.

Question. Was it the same day the contract was drawn up?

Answer. No, sir; the contract was not finished until a day or two after. There were four of them to be drawn up.

Question. Was General McKinstry induced, among other things, to favor a re-advertisement in consequence of the exorbitant price named in the various bids?

Answer. Nothing was said about that to me.

Question. Was it not known at your department, at the time, that those bids were exorbitantly high, and that the government was being imposed upon to the extent of three or four dollars a ton?

Answer. I do not know.

ST. LOUIS, *October 28, 1861.*

T. W. SINGER, being duly sworn, was examined as follows:

Question. Have you had any contracts with the government?

Answer. No, sir.

Question. Do you know anything about boats being chartered to the government?

Answer. I know that boats have been chartered. I know that parties having boats have gone to a man who had authority to charter boats for the government, and ask if he would charter their boats.

Question. Who is this man who has been making contracts for boats?

Answer. John H. Bowen has been chartering boats for Abel. This Bowen went to Pat. Your, captain of the steamer Emma, and told him that the government allowed \$1,500 a month for boats, but that he must have a bonus out of that \$1,500 for giving him a charter. Captain Your told me that.

Question. When was that?

Answer. It was when the government first began to charter boats.

Question. Was this steamer Emma chartered by the government?

Answer. She was, afterwards.

Question. By whom?

Answer. I do not know.

Question. At what price?

Answer. At \$1,500 a month. Captain Your first told Bowen he would not charter his boat in such a way.

Question. Who made the bargain with Captain Your for his boat finally?

Answer. I do not know whether it was Bowen or Abel.

Question. Did Bowen pretend to be acting for the government?

Answer. Yes, sir.

Question. Do you know of any other transaction of that kind?

Answer. Yes, sir.

Question. What is it?

Answer. In reference to the steamer Sam Gatty, Captain T. B. Johnson. Captain Johnson took the government troops up to St. Charles. They asked him what he would take up the troops for. He told them. The parties said they must have a bonus if they gave him the trip.

Question. Who were those parties?

Answer. It was Bowen or Abel, I heard.

Question. From whom did you hear it?

Answer. From Captain Johnson.

Question. Was that bonus paid?

Answer. Yes, sir.

Question. How much was it?

Answer. I do not know.

Question. To whom was it paid?

Answer. To John H. Bowen.

Question. Do you know of any other transaction of that kind?

Answer. I do not of my own knowledge.

Question. Do you know of any indirectly?

Answer. Mr. Budd, when in St. Louis, told me if I wanted to get my boat into government employ I could do so by giving a bonus.

Question. How did he know?

Answer. I do not know.

Question. Did you try to do that?

Answer. I did not, because she was not in very good repair; and I did not want to repair her.

Question. Is that all you know about these matters?

Answer. It is.

ST. LOUIS, *October 28, 1861.*

R. M. CORWINE, being duly sworn, was examined as follows:

Question. State your residence.

Answer. I reside in Cincinnati.

Question. What is your official position?

Answer. I am at present connected with General Frémont as his judge advocate.

Question. What is the rank and pay of your position?

Answer. No pay at all, so far as I know. They call me major, but I have no commission and no pay.

Question. What are your duties as judge advocate?

Answer. It is simply that of passing upon the findings of court-martials and military commissions, and to give legal advice to the military family of the general.

Question. What is embraced in that legal advice to the military family; and in what sense do you use the term "military family?"

Answer. I mean those immediately connected with the general in the administration of the department.

Question. What is the nature of the advice you are called upon to give?

Answer. It is such advice as a lawyer would give to his client.

Question. Has there been a separate department around the headquarters of General Frémont—that is, a department where contracts were entered into?

Answer. I do not know of any such.

Question. In your relation as judge advocate, have you been consulted in reference to contracts?

Answer. No, sir.

Question. Has ever your legal opinion been asked in regard to contracts; and have you ever been requested to draw up any contracts in which the government was interested?

Answer. I have been called upon to draw up two contracts: one with the North Missouri railroad, and one with N. G. Mowry, of Cincinnati.

Question. What do you know in relation to that contract with Mowry?

Answer. Nothing whatever, except what is expressed upon the face of it.

Question. Do you know Mowry?

Answer. I do.

Question. Where does he reside?

Answer. In Cincinnati.

Question. State all the circumstances connected with the drawing up of that contract.

Answer. General Frémont sent for me one day, and told me there was a contract to be drawn between the department and Mr. Mowry in relation to the building of some railroad cars, and he gave me a memorandum of the substance of the contract.

Question. Was that memorandum given to you by General Frémont himself?

Answer. I think it was. He sent for me to my office. At all events I drew up the contract from that memorandum.

Question. Had you any conversation with Mowry in regard to it?

Answer. Not until he came to execute it.

Question. Had you any knowledge of the bids put in for building those cars?

Answer. I do not know of any bids at all.

Question. Is it the proper mode of doing business for the commanding general to make and draw contracts, or for the quartermaster's department?

Answer. The quartermaster's department.

Question. Do you know the reason for that change from the ordinary mode?

Answer. I do not know that there was any change?

Question. You say that the making and drawing these contract would properly belong to the quartermaster's department; and now

I want to know the reason why this contract was not drawn up at the quartermaster's department instead of by the judge advocate, under directions from the major general commanding?

Answer. It was because the general wanted to get the contract in form himself, and without referring it to General McKinstry for his action in the premises.

Question. What great necessity was there that General Frémont should direct his judge advocate to draw up a contract in reference to the building of cars which would not apply to any other contract?

Answer. I cannot say. I am giving only conjecture now. I know I was directed to do it in that way, and I did it. I know the general then referred it to Major McKinstry for his action.

[The copy of a contract, which will be found in Mr. Clements's testimony, was here submitted to the witness.]

Question. State whether this is the contract you drew up.

Answer. I do not know that I can state, except, it seems to me, that Mowry was to have a longer time to deliver the cars in, and he was not to get so much for them as is expressed in this contract. But I am not certain about it at all. The one I drew had General Frémont's indorsement upon the back of it.

Question. Then do you state that the contract submitted to you (certified to be a true copy) is not in your judgment the contract which you drew up?

Answer. That is my recollection.

Question. If it is not the contract which you drew up, in what does it differ from that contract?

Answer. I think, in the first place, that the contract I drew up gave Mowry a longer time in which to do the work; and, in the second place, I think the amount paid to him for the two classes of cars was less than the sums specified in this contract. In the third place my contract had no clause in it excluding members of Congress from participating in the contract.

Question. In the contract which you drew up do you recollect what guards you inserted for the protection of the government, and whether, in any interview with Frémont, anything was said about requiring bonds for the faithful fulfilment of the contract by Mowry?

Answer. Something was said upon that subject; and I told Frémont if anything was said, that Mowry was himself as good security as he could have, for he was a rich man.

Question. Then, according to your recollection, you did not propose to take the ordinary security, but to rely upon the individual security of the contractor.

Answer. I do not know as I know anything about the ordinary security. Where a man is to expend all his own money, and not get anything back until he has done his work, I do not understand that the government requires any sort of security.

Question. Do you not know that in those cases it is the invariable practice of the quartermaster's department to take security?

Answer. I do not know, for I never made a contract with the quartermaster's department in my life, and never saw one made.

Question. You have read this contract over?

Answer. Yes, sir.

Question. Do you find any forfeiture therein provided in case the cars are not done by the time stipulated?

Answer. I do not, but I think there was something of the kind in the contract I drew up.

Question. If that was so, what were the reasons, in your judgment, which induced an alteration of the contract which you drew up upon request of General Frémont, and in which you inserted a provision guarding the interests of the government?

Answer. I had no judgment upon the subject. I did not know certainly that there had been any change until just now, except that I had simply heard that McKinsty redrew the contract.

Question. What was done with the contract you drew up?

Answer. I gave it to Mowry in General Frémont's presence, and he made an indorsement on the back of it sending Mowry to McKinsty. Mowry told me afterwards that he executed the contract, but that it was materially altered from the contract I wrote.

Question. Did he say in what respect it was altered?

Answer. No, sir.

Question. Did he say he got an additional price?

Answer. I do not think he did.

Question. State all you know about the contract for connecting the North Missouri with the Iron Mountain railroad.

Answer. I think no one ever spoke to me about it except Castle and the president of the road. Those two gentlemen came to my office with a document, upon the back of which was indorsed, by General Frémont, a memorandum, directing me to draw a contract pursuant to the memorandum contained in the papers. I drew the contract from that memorandum.

Question. What is your understanding of that contract as to the rights of the government and the rights of the North Missouri railroad?

Answer. I suppose the paper would show better than I could state it. I understand that it imposed upon the government the duty of furnishing all the iron and ties, and all the materials for doing the work necessary to connect the termini of the North Missouri road with the Pacific and Iron Mountain roads; and, in consideration of doing that thing, the said road agrees to carry, free of all charge, all the materials and all the hands engaged in the work. I understand, furthermore, that the laying down the track is the obligation of the government, and that when it is laid down, by operation of law, the rails become the property of the railroad, and of course along with it goes the ties and the rail work. Thus the three miles of connecting road becomes the property of the North Missouri railroad. The advantage the government derives from connecting the three roads is the increased facility of transporting troops, stores, and munitions of war.

Question. How much do you understand the North Missouri roads pay for this connexion?

Answer. They allow the full cost of the iron and ties.

Question. What are they estimated to be worth?

Answer. I do not know. It is to be deducted from the transportation account hereafter to accrue.

Question. Who, by the terms of that arrangement, do you understand will be liable for the public and private damages arising from the construction of the road?

Answer. I have given an opinion upon that subject once before. The road is laid down by the United States; the United States appropriates the ground over which the road runs, both in the street and through private property, and the only act which the company performs is to run over the road after it is laid down. It was my understanding of it at the time that the railroad company were to be the owners of the road; that the government was to furnish the material and lay it down for them; in other words, the government became the contractors for that purpose in consideration of their being reimbursed the amount of the cost of the ties and rails.

Question. Is Mowry a car builder?

Answer. He is, as I understand. He has two founderies and two locomotive and car establishments—one in Cincinnati and one here. I think one reason why the contract was given to him was that he had facilities for doing up the work more expeditiously, both here and in Cincinnati, than anybody else.

Question. Do you know to whom he first submitted his bid for doing that work?

Answer. I do not.

Question. Do you know anything about the sub-letting of that contract, or any part of it?

Answer. No, sir.

Question. What knowledge have you of bids being filed under the advertisement of Quartermaster General Meigs for the delivery of 10,000 tons of hay in this city?

Answer. I know nothing of them, except in the case of Cochran, of Cincinnati. He is a neighbor of mine, and he sent to me here in St. Louis a bid for that entire contract, in which he proposed to deliver to the government hay at \$16 a ton delivered at Cairo, and \$17 a ton delivered in St. Louis—the hay to be baled as they baled it in that country, and the quality to be A No. 1. That proposition I filed with Major Woods, and remember to have sent to him at the time—"Here is a proposal out of which, in my judgment, the government can make a great deal of money. This man is a man of means, and has been a contractor for the government, and will carry out his contract. We are about to ship from Cincinnati 100 barges for these pontoon bridges, and these barges will have to be towed by steamboats, and this hay can be brought on them to Cairo at much less cost to the government than even \$16 a ton. I have no doubt we could get it done for \$12 a ton, and it is worth while to consider whether the government ought not to go to work and save that, for these boats have got to go there, and go empty." Major Woods frowned it down, and frowned me down, and I let it go. I thought,

perhaps, I was making a fool of myself, and would stop talking in that way about saving money to the government. That contract was filed, I think, in the office there. I remember the day the bids were opened. Cochran was here, and came to me to ask me about it. I told him I had filed the bid; that I would not have neglected it, but that I was not certain where I had filed it. In the meantime, I called General McKinstry's attention to it at Mrs. Frémont's dining-room door. I remember where it was, for McKinstry snubbed me up considerably more than Major Woods did. I said to him: "General, what is the reason you do not pay any attention to Cochran's bid." I was innocent about it. Says he: "Cochran is a pretty smart fellow to find out what bids are, and then stick in his proposal. We pay no attention to those things." And I was left standing there with my fingers in my mouth.

Question. Had you informed him, or any one in his office, that this proposal of Cochran had been filed at some one of the places where the proposals were to be filed?

Answer. I told McKinstry so that evening; and when I was told that Cochran had drummed up the bid, I felt indignant because it involved me in the same category. I replied, "I filed that contract two weeks ago, and I know that it is not true that Cochran had drummed it up." That was the day the bids were opened, as I was told. They were opened and read by gas-light; but they did not award the contract finally until the next day, or the day after that. The first award was for \$18 a ton, to two Cincinnatians, as I understood. Then they afterwards, in summing up another party's bid who proposed to furnish hay in instalments, found that his bid was for \$17 90. But that fellow's bid fell through. Then they afterwards found another fellow's bid at five cents less than \$18, and among it all Cochran got no chance at all.

Question. Before the turning up of the bid at \$17 95, did you tell McKinstry of the filing of Cochran's bid?

Answer. Yes, sir.

Question. When did you first hear of this bid of \$17 95 a ton for hay?

Answer. It was several days after the evening that I spoke to McKinstry about Cochran's bid. Of course I know nothing in the world about those bids, except as I have heard them spoken of at the quartermaster's department.

Question. You heard the nature of these bids freely spoken of the day the bids were opened?

Answer. Yes, sir. This man Smith, who had the contract awarded to him at \$18 a ton, is a friend of mine, and he told me about the bids.

Question. By whom was the contract on the bid at \$17 90 awarded?

Answer. Report said it was awarded by Captain Turnley.

Question. When did you first hear of this bid of \$17 95?

Answer. It was several days after the bids were opened.

Question. Do you know who put it in?

Answer. No, sir.

Question. Did you mention to Clements, chief clerk in McKinstry's office, that you had filed this bid of Cochran's?

Answer. Not that I know of.

Question. Where did you file it? Was it filed in Quartermaster Davis's department?

Answer. It was filed, as I found out afterwards, in a small room which was occupied by Major Eaton and Major Woods, at headquarters. I got it from the file and gave it to Cochran.

Question. Before you gave it to him, you assured McKinstry that it had been on file some time?

Answer. I told him I filed it myself there.

Question. Was Cochran in condition to give the necessary bonds for the fulfilment of the contract?

Answer. Amply prepared. Cochran took the bid from headquarters the day the bids were opened, and filed it with McKinstry.

Question. What connexion had Major General Woods or Eaton with the quartermaster's department?

Answer. None; except that Woods was major domo, and did all the business of the quartermaster's department.

Question. Why did he seem to snub the idea of the government saving three or four dollars a ton by shipping the hay in the manner you suggested?

Answer. His answer was that they had not time to await the loading of the boats. I knew that was ridiculous, because they had 300 troops on board besides the hands on board the boat.

Question. Do you know to whom the contract was awarded at \$17 95 per ton?

Answer. I do not.

Question. In addition to the quartermaster's department, of which McKinstry has been the head, what quartermaster's department is there, if any, connected with headquarters of General Frémont in this city?

Answer. I understood there is a quartermaster's department under control of Captain E. M. Davis.

Question. What is the character of the business which Captain E. M. Davis, as quartermaster, superintends?

Answer. I have understood that he simply disbursed money to those around that immediate neighborhood, to relieve them from the necessity of coming down street to get their money.

Question. Who is this Captain E. M. Davis, who performs this charitable labor at headquarters?

Answer. That is an inquiry I cannot answer. You know him as well as I do. I never saw him in my life until I came here.

Question. What State is he from?

Answer. Pennsylvania, I believe.

Question. What do you know, if anything, of his entering into contracts upon the part of the government, or obtaining contracts for others, for furnishing supplies?

Answer. Nothing.

Question. What rank does he hold?

Answer. That of captain.

Question. Where does he keep his office?

Answer. At headquarters in this city?

Question. What do you mean by headquarters in this city?

Answer. I mean that large building which Colonel Brant built.

Question. By whom is that occupied?

Answer. By General Frémont and divers people in his employ and in the employ of the government.

Question. How many buildings constitute what you call properly headquarters?

Answer. That one alone.

Question. There is a large building just above that?

Answer. That is occupied by some of the general's people, but it is not headquarters.

Question. How many officers connected with General Frémont's department are now stationed there, and how many buildings are appropriated to their use at this time?

Answer. Not many just now. In General Frémont's headquarters are four telegraph operators, the adjutant general, Colonel Fiala, Captain Davis, two clerks, General Asboth, Colonel Eaton, Major Woods, Captain Howard, and General Frémont's military family.

Question. Who are away from them now with the army?

Answer. All are away except the adjutant general, Colonel Fiala, Captain Davis, his clerks, and the telegraph operators.

Question. In what service is Captain Fiala engaged?

Answer. He belongs to the civil corps of engineers. He has charge of that branch of the service here.

Question. How many military men under the rank of captain are engaged in and about headquarters?

Answer. I do not know.

Question. How many persons are employed in guarding the approaches to these headquarters?

Answer. I cannot say.

Question. State the number as near as you can?

Answer. There are four or five on guard all the time.

Question. For what purpose are those premises guarded?

Answer. I do not know.

Question. How many buildings about headquarters have been appropriated for the use of the government and are now under rent by the government for the accommodation of General Frémont's officers and the members of his staff?

Answer. There is a large brick house faced with stone which stands in the center of a large lot fronting on Chouteau avenue, which is the headquarters properly.

Question. The best building in the city?

Answer. As good as any. Then there is the house I occupy, which, while it is not a very large house, is situated in a terrible big lot. It is a very nice place. Then there is a house on Hickory street in the same neighborhood—two houses under one roof—which was occupied by Captain McKeever, Captain Bradshaw, Captain

Abel, and Captain Castle. I think now there is no one there but McKeever.

Question. What is the rent of all of these buildings?

Answer. I do not know.

Question. Have you enumerated all of the buildings occupied for government purposes?

Answer. There is at least one more building this side of headquarters, occupied by some Germans for drafting purposes.

Question. Are these buildings all still occupied by persons connected with General Frémont's headquarters?

Answer. I think they are.

Question. Are any of those buildings guarded by soldiers at this time?

Answer. Yes, sir.

Question. How many?

Answer. The headquarters and Zagonyi's quarters.

Question. Who occupies Zagonyi's quarters during his absence in the field?

Answer. I suppose people connected with his staff.

Question. Do I understand you to say that all these buildings, including that occupied by Zagonyi, are rented by the government and occupied by gentlemen connected with General Frémont's headquarters?

Answer. I do—that is, by persons connected with the department.

Question. The quartermaster's department, the commissary department, and all the departments connected with the movements of the army, are situated elsewhere in St. Louis, are they not?

Answer. Yes, sir.

Question. And are occupying buildings under rent to the government?

Answer. Yes, sir.

Question. Have you any idea of the amount of rent which is being paid by the government in connexion with headquarters?

Answer. It must be pretty large, but my knowledge is not accurate enough to speak upon the subject.

Question. How far will the rent of these buildings, so far as you have understood, vary from \$15,000 a year?

Answer. I cannot say, for I do not know.

Question. Do you know anything about the contract between General Frémont and E. L. Beard for the construction of forts for the defence of St. Louis?

Answer. Nothing.

Question. Do you know anything about the connexion between Beard, himself, and Palmer, now in this city?

Answer. I do not.

Question. Do you know whether General McKinstry at this time is acting as quartermaster general of this division, or whether he has been acting as such since he commenced moving with the army in the field?

Answer. I do not.

Question. You have spoken of there being a guard before the house occupied by Major Zagonyi. What military or other necessity is there for such a guard to the house of a major who is now in the field?

Answer. I do not know.

Question. Is it the practice of the government to hire quarters for all the officers of the army wherever they may happen to be?

Answer. I know that the regulations require that quarters shall be provided for officers whenever it is convenient.

ST. LOUIS, *October 28, 1861.*

JOHN G. PRIEST, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am real estate agent.

Question. Have you any contracts with the government?

Answer. No, sir.

Question. Do you know of any persons who have had any?

Answer. I have heard of contracts.

Question. What have you heard?

Answer. I have not heard of anything which occurs to me this moment. I have heard nothing but what is common street rumor in this city.

Question. Have you no personal knowledge of any contracts?

Answer. None whatever.

Question. Have you any information in reference to contracts, which information you believe to be reliable?

Answer. I am hardly in a position to have much to do with those things. My business is not of such a nature as to throw me into contact with persons who would be apt to know about such matters.

Question. Have you heard of any contracts being made by anybody with the government?

Answer. I have heard of various contracts which have been made with parties here.

Question. What contracts?

Answer. I have heard of a contract which was made with Howe for shoes. I heard General McKinstry say one night that a contract was sent to him to make with Mr. Howe and a gentleman from Chicago—Mr. Gurnee, I believe—and that the contract amounted to three-quarters of a million of dollars. That was a conversation which might be considered private and might not; but two or three persons were present. He stated that Mr. Browning, of Illinois, upon the part of Mr. Gurnee, and a distinguished gentleman of St. Louis, upon the part of Mr. Howe, wanted him to make that contract, but that he declined doing it. He gave as a reason that he could not go before the community after making a contract of that kind with-

out competition—at least that was the inference that would be drawn from his remarks.

Question. Was that all he said?

Answer. That was about all of that conversation. He was also complaining of some strictures which papers in Cincinnati had made.

Question. He was vindicating himself, was he not?

Answer. He was.

Question. Who was the distinguished gentleman of St. Louis to whom you referred?

Answer. His name was not mentioned.

Question. Whom did McKinstry refer to?

Answer. I supposed he referred to Frank Blair. No question was asked as to whom he referred to, but the inference was that he referred to Blair.

Question. Do you know what amount of property has been appropriated in this city by the government for governmental purposes?

Answer. That is something which I probably know as much about as anybody in St. Louis, as my house is situated near General Frémont's headquarters, and I see every day the movements of his people.

Question. Are those barracks near headquarters erected on private property?

Answer. Yes, sir.

Question. On what terms?

Answer. I do not think leave or license has been asked of the owners, and I have been very much afraid that the general would take grounds belonging to me.

Question. For what military purpose are those barracks erected in the very heart of St. Louis?

Answer. I cannot conceive; and I assure you it is a very great annoyance to the neighbors near them.

Question. What number of buildings have been appropriated in and about headquarters for the accommodation of General Frémont's military family and his own family?

Answer. His headquarters is the residence of Colonel Brant, a relative of Mrs. Frémont. Colonel Brant married a niece of Colonel Benton—making Mrs. Brant and Mrs. Frémont cousins. I also know that he has appropriated the lot of a lady who has complained to me very bitterly, and has asked if there was no redress.

Question. What would be a fair rent of all the property around headquarters appropriated for government purposes by General Frémont?

Answer. He has rented the building occupied by Major Corwine of Mr. Crittenden for \$2,000 a year, and Mr. Crittenden himself occupied the building with them at that.

Question. Is not that an extravagant rent?

Answer. It is.

Question. What could that building have been rented to a private individual for?

Answer. Seven or eight hundred dollars a year. That would have been a good rent in such times as these?

Question. What is the rent of the other buildings?

Answer. I understood that he rented two houses upon Hickory street for \$500 a year each.

Question. What would be a fair rent for those buildings?

Answer. About \$300 each. The general has also rented a building situated west of the headquarters for \$1,200 a year.

Question. What would be a fair rent for that?

Answer. In such times as these I suppose seven or eight hundred dollars.

Question. What other houses are occupied by government?

Answer. There is also a house occupied by the engineer department, for which, I understand, he is paying \$40 a month. I think \$25 a month would be a good rent, though I know the government always pays a little more than anybody else. There is also a house directly opposite that occupied by Major Corwine that is occupied by government officials, but whether by United States or by State officers I do not know. I understood it was occupied by Mr. Palmer, of the firm of Palmer, Cook & Co., of San Francisco.

Question. What is the rent of the building known as headquarters?

Answer. I have always understood it was \$6,000 a year.

Question. Does that embrace the house occupied by this man Zagonyi?

Answer. No, sir.

Question. What will be the expense of erecting those barracks near headquarters?

Answer. I do not know.

Question. Do you know of any military necessity for erecting them?

Answer. I do not. They are at work on them yet, and have been working Sundays and all times. It is really an annoyance to the neighborhood, and more so because there does not seem to be any necessity for erecting them. They are built in a choice part of St. Louis, and it creates a great deal of dissatisfaction. If there were any military necessity the people would acquiesce willingly.

Question. What would be a fair rent for Colonel Brant's house, which is rented to the government for \$6,000 a year?

Answer. It is one of those houses which are seldom rented. I understand that the house, grounds, and furniture have been offered for \$50,000. The lot is 158 feet front, and 277 feet deep.

Question. During the time that General Frémont has occupied those premises what would be a fair rent for them?

Answer. I do not think he will pay too much, even if he pays a good price. It is a first-class residence, and there have been a great many soldiers and people about there all the time, and it is not probable they have improved the place much. I understand that when General Frémont first went there Mr. Brant tendered the house to him for headquarters as a matter of courtesy; and for some time after he went there he had no show about there at all, but after a while the show commenced. But that has died down some since the general went into the field.

Question. Do you understand that orders have been given by the Secretary of War to discontinue the work upon the barracks?

Answer. I understood so.

Question. Do you know whether that work has been countermanded?

Answer. I do not.

Question. Has there been any suspension of the work?

Answer. There has not.

ST. LOUIS, *October 28, 1861.*

P. FLANNIGAN, being duly sworn, was examined as follows:

Question. State your official position here?

Answer. I came here from New York by request of Captain Rankin, a short time since, to be his chief clerk, and I have but just got an insight into the position of things in his office in the quartermaster's department.

Question. You have brought with you several certified copies of vouchers of Joseph S. Pease, for articles purchased by him; what do you know about the purchase of those articles?

Answer. I do not know anything about them.

Question. Do you know of any purchases being made by him since you have been in the department?

Answer. I do not.

Question. Do you know whether he has furnished your department with any articles?

Answer. I do not.

Question. Please look upon this requisition upon E. W. Fox for 30,000 overcoats, (see requisition in Clements's testimony,) and state whether Mr. Fox has filled that requisition, or any part of it?

Answer. One of McKinstry's former clerks inquired of me about that matter to-day, and I looked at the papers to find out. I have in my hands a certified voucher of E. W. Fox, in which is included 900 overcoats, which, I presume, were furnished in part fulfilment of that order. I have also another voucher, by which it appears that 240 more were furnished.

Question. At what price were they furnished?

Answer. At \$10 65 each. Here is also another voucher, on which there are 217 overcoats, charged at \$10 50 each.

Question. Are those all the vouchers you have from Child, Pratt & Fox for overcoats?

Answer. They are.

Question. Do you presume from that fact that they did not furnish any more?

Answer. I presume they have furnished no more, or we should have the vouchers for them.

Question. What is the date of the order for the 30,000 overcoats?

Answer. The 2d of September, 1861.

Question. You observe that in the requisition upon E. W. Fox for

30,000 overcoats, he was to be allowed a fair mercantile profit over and above the cost of material, manufacture, and transportation. Now, will you state upon what principle your department adjusts the accounts for goods furnished under such a requisition?

Answer. That is a new thing to me, and a new thing in the quartermaster's department. I was not here when the order was given, and I have no idea how the accounts would be adjusted. I have an idea how I should do it.

Question. How would you do it?

Answer. I should make the parties produce the bills of actual cost of materials, and the actual cost of the manufacture, and then I would allow them a small percentage upon those bills—enough to make a living upon.

Question. What would you consider a fair commission for buying goods as Child, Pratt & Fox did?

Answer. That would depend a great deal upon the amount of business. I think five per cent. would be a nice commission. Ten per cent. would be enormous.

Question. Suppose they were buying \$800,000 worth?

Answer. Five per cent. would be a very nice commission, in my judgment.

Question. Your department, then, has adopted no rule as to what would be a fair mercantile profit?

Answer. Not that I know of.

Question. Is there any precedent upon the subject?

Answer. Not that I know of.

Question. Inasmuch as your department is confined to furnishing clothing to the army, will you state how you are now furnishing clothing?

Answer. Captain Turnley is now acting for Captain Rankin, and he has been making all the contracts since Captain Rankin left. We are now getting clothing from the clothing department of the east, and also from the Union Defence Committee of Chicago.

Question. At what price do that committee furnish you clothing?

Answer. Here is one of the bills of that Union Defence Committee, which amounts to some \$36,000, from which you can see how their prices range.

The following is a copy of the bill:

The United States to the Union Defence Committee of Chicago, Dr.

1861.			
Oct.	1	1,000 sewed shoes, at \$2 25	\$2,250 00
		280 pegged shoes, at \$1 40	392 00
Sept.	23	1,000 knapsacks, at \$2	2,000 00
Aug.	21	125 blankets, at \$3 50	437 50
	22	10 dozen pair of woollen socks, at \$4 50	45 00
		50 blankets, at \$3 50	175 00
Sept.	9	45 blankets, at \$3 50	157 50
		1,000 blue shirts, 83 $\frac{1}{3}$ dozen, at \$13 75	1,145 83
	24	1,000 socks, 83 $\frac{1}{3}$ dozen, at \$4 25	354 17
	28	344 blankets, at \$3 50	1,204 00
Oct.	1	720 pairs pegged shoes, at \$1 52	1,098 00
Sept.	31	2,000 pair drawers, at 46 $\frac{1}{4}$ cents	925 00
Oct.	1	1,000 blue caps, fatigue, 83 $\frac{1}{3}$ dozen, at \$8 50	708 33
		108 blankets, at \$3 50	378 00
Aug.	30	16 $\frac{2}{3}$ dozen iron spoons, at 44 cents	7 33
		$\frac{1}{3}$ dozen axes and handles, at \$13 per dozen	4 33
		33 $\frac{1}{3}$ dozen knives and forks, at \$9 50 per gross	26 39
		$\frac{1}{2}$ dozen butchers' knives, at \$1 75	87
		1 $\frac{2}{3}$ dozen meat forks, at \$2 25	3 75
		$\frac{1}{3}$ dozen hatchets, at \$7 50	2 50
Sept.	9	16 $\frac{2}{3}$ dozen plates, at 50 cents	8 33
		1 $\frac{9}{12}$ dozen axes and handles, at \$13	10 84
		1 $\frac{9}{12}$ dozen hatchets, at \$7 50	6 25
		Cartage	75
	24	1 gross 72 knives and 72 forks, at \$8	9 50
		$\frac{1}{2}$ gross 72 spoons, at \$5	2 50
		8 $\frac{1}{3}$ dozen plates, at 50 cents	4 17
	27	Cartage	75
		1 $\frac{1}{4}$ dozen coffee mills, at \$8	10 00
		11 $\frac{1}{2}$ dozen plates, at 50 cents	5 75
		20 $\frac{2}{3}$ dozen knives and forks—124 knives and 124 forks, at \$9 50 per gross	17 20
		5 $\frac{3}{4}$ dozen spoons, at 44 cents	2 53
		6 $\frac{2}{3}$ dozen meat forks, at \$2 25	15 00
		7 $\frac{1}{2}$ dozen knives, at \$1 75	13 13
		2 $\frac{1}{2}$ dozen spades, at \$8	21 25
		1 $\frac{2}{3}$ dozen axes and handles, at \$13	21 67
		1 $\frac{2}{3}$ dozen hatchets, at \$7 50	12 50
		8 $\frac{1}{3}$ dozen spoons, at \$1 37 $\frac{1}{2}$	11 46
Aug.	23	10 drums, at \$9	90 00
		10 fifes, at \$1	10 00
		20 extra drum heads, at \$1	20 00
		1 $\frac{9}{12}$ dozen spades, at \$9 50	7 91
		1 $\frac{9}{12}$ dozen coffee mills, at \$8	6 66
		4 hatchets, at 50 cents	2 00
		1 $\frac{2}{3}$ dozen frying mess pans, at \$9 50	15 83
		Cartage	75
		1 $\frac{3}{4}$ dozen camp kettles— $\frac{7}{12}$ dozen, at \$13 ; $\frac{1}{12}$ dozen, at \$11 50 ; $\frac{7}{12}$ dozen, at \$10	20 12
		1 $\frac{2}{3}$ dozen mess pans, at \$6 50	10 83
		200 tin cups, 16 $\frac{2}{3}$ dozen, at 50 cents per dozen	8 33
		Cartage	75
Sept.	12	14 camp kettles— $\frac{7}{12}$ dozen, at \$13 ; $\frac{1}{12}$ dozen, at \$11 50	14 29
		$\frac{1}{2}$ dozen camp kettles, at \$10	5 00
		1 $\frac{3}{4}$ dozen frying mess pans, at \$9 50	15 83
		200 tin cups, at 5 cents each	10 00
		1 $\frac{2}{3}$ dozen mess pans, at \$6 50	10 83
		Drayage	75

STATEMENT—Continued.

Sept.	21	1 $\frac{3}{4}$ dozen camp kettles— $\frac{7}{12}$ dozen, at \$13 ; $\frac{7}{12}$ dozen, at \$11 50; $\frac{7}{12}$ dozen, at \$10	\$20 12
		$\frac{1}{2}$ dozen frying pans, mess	4 75
	30	1 $\frac{1}{2}$ dozen camp kettles, at \$13	11 92
		1 $\frac{1}{2}$ dozen camp kettles, at \$11 50	8 92
		do.....do.....	8 91
		6 $\frac{1}{12}$ dozen camp kettles, at \$6 50	39 54
		Cartage.....	75
		128 tin cups, at 5 cents.....	6 40
		Cartage.....	75
	7	100 blankets, at \$3.....	300 00
Aug.	30	73 $\frac{1}{2}$ dozen socks, at \$1 50	95 33
		Cartage.....	75
	26	5 wall tents and flies, at \$35.....	175 00
Sept.	3	2 hospital tents and flies, at \$85.....	170 00
		37 wall tents and flies, at \$35.....	1,295 00
		67 round tents and flies, at \$37	2,479 00
	18	100 blankets, at \$5.....	500 00
		1,000 shirts, 83 $\frac{1}{2}$ dozen, at \$13 75 per dozen.....	1,154 83
	28	1,000 overcoats, at \$8 37	8,370 00
Oct.	1	1,000 haversacks, at 40 cents	400 00
		1,000 canteens, at 50 cents.....	500 00
		10 worsted sashes, at \$175	17 50
		4 worsted sashes, at \$2 25	9 00
		11 packing boxes for clothing, at \$1.....	11 00
		1 $\frac{1}{2}$ dozen spades, at \$9 50.....	7 91
		1 $\frac{1}{2}$ dozen coffee mills, at \$8	6 66
		$\frac{1}{3}$ dozen hatchets, at \$6	2 00
	9	1,000 jackets and pants, at \$8 75 each	8,750 00
			36,085 00

Question. Were all the articles embraced in that bill furnished for a single regiment?

Answer. I believe they were.

Question. Upon whose order?

Answer. Upon the order of General Frémont, of October 15, 1861. Upon the requisition or bill was the following indorsement: "The within equipment for the Yates Phalanx, 39th regiment of Illinois volunteers, were furnished by order of General J. C. Frémont. Major Allen, quartermaster, will please pay for same upon presentation of proper receipts from the regiment for the property.

"By order of Major General Frémont.

"C. McKEEVER,

"Assistant Adjutant General."

Question. Do you not regard the price charged by Mr. Fox for infantry overcoats, \$10 50 and \$10 65, as extravagantly high?

Answer. I should consider them high, after being accustomed to receiving invoices from two departments at the east at \$7 and \$7 75.

Question. To what extent, at the prices you have mentioned, has Fox filled the requisition for 30,000 overcoats?

Answer. I cannot state any further than I have stated by presenting those certified vouchers.

St. Louis, *October 28, 1861.*

TIMOTHY P. PERKINS, being duly sworn, was examined as follows:

Question. State the character of your employment in the service of the government.

Answer. I am in the employment of Captain Barton Abel, the general superintendent of the United States steamers. I am his chief assistant.

Question. State the character of Captain Abel's duties and the extent of his functions.

Answer. He acted under the advice and consent of the quartermaster, Major McKinstry, when he was here; and he occasionally consulted with Captain Turnley. Now he acts under Major Allen and Captain Turnley. They inform him what transportation is needed, and he furnishes the boats for the purpose. He also sees to the transportation and embarking of the troops.

Question. To what extent has he the control of the government transportation by river?

Answer. He controls all the United States steamboats in that service on these waters; that is, on the Mississippi and Missouri.

Question. Does he control the steamers on the Ohio?

Answer. He does not.

Question. From whom did he receive his appointment?

Answer. From General Frémont.

Question. How long has Captain Abel been employed in this service?

Answer. Perhaps I am in error in saying that he received his appointment from Frémont. I know he has acted under General Frémont ever since the general came here, although he was appointed previous to that time. The date of the charter of his boat, the *Ira-tan*, and which was the first boat employed in the government service, was the 12th of May last.

Question. Have you been his associate in this department of the public service ever since he received his appointment?

Answer. No, sir; he did not require any assistance until about the time I commenced, which was the last of August or the first of September.

Question. Through what influence did Captain Abel receive the appointment which he now holds?

Answer. According to the best of my knowledge, Colonel Blair had more to do with it than anybody else. They have been political and personal friends a long time.

Question. Who determines the rate of compensation which Captain Abel receives for his services, and at what price those services have been fixed?

Answer. To the best of my knowledge, his compensation has not been fixed. About the time that General Frémont left I heard him remark to the effect that he did not know what he was to get.

Question. Do you know what compensation he has received for his services?

Answer. I do not. There have been no accounts and no pay-roll exhibited to me, and no payments made, to my knowledge, since I have been in the employ of the government.

Question. Your department, acting in subordination to the quartermaster's department, does not, of course, control any of the funds of the government.

Answer. It does not.

Question. All payments made for expenses incurred in your department are paid at the quartermaster's department.

Answer. Yes, sir.

Question. How many persons are employed in your department, not merely in managing the vessels, but in the general business pertaining to that department?

Answer. Four of us altogether—Captain Abel, myself, the clerk who attends to writing up the fuel and wood bills, and a porter.

Question. Is any other person directly connected with the management of your department of the public service?

Answer. None other than the quartermaster's department. We hold ourselves subject to their inspection, and to instructions about business.

Question. Had J. M. Bowen, of this city, any connexion with your business?

Answer. Not with our office, nor with Captain Abel, that I know of. He is an old acquaintance of Captain Abel, but he has not been in our office more than three or four times during the last three months.

Question. Has he had anything to do with the chartering of vessels?

Answer. He has been acting under the control and directions of Major McKinstry.

Question. Can you furnish a list of the vessels which have been employed by your branch of the quartermaster's department since the commencement of Captain Abel's appointment, together with the average wages of the officers and men employed, the time when the boats were chartered, the rate of compensation, and when they were discharged?

Answer. I will. I have the statement here.

The statement was as follows:

*Wages of officers per month in U.
S. service.*

1 captain.....	\$175 00
2 pilots, each.....	150 00
1st engineer.....	125 00
2d do.....	75 00
3d assistant.....	25 00
4th do.....	25 00
Clerk.....	50 00
2 mates, each.....	50 00
1 carpenter.....	52 50
1 watchman.....	30 00
1 steward.....	45 00
1st cook.....	45 00
2d do.....	18 00
2 cabin boys, each...	15 00

Men were \$15 each until September, about the middle of the month, men became scarce, and demanded more wages, and the price has advanced to..... \$25 to 30 00

*Average wages for last five years
in merchant service.*

Captain.....	\$150 to \$250 00
Pilots, each.....	225 00
1st engineer.....	150 00
2d do.....	100 00
Assistants.....	35 00
Clerks.....	\$100 to 125 00
1st mates.....	100 00
2d do.....	\$50 to 60 00
Carpenter.....	80 00
Watchman.....	35 00
Steward.....	\$60 to 75 00
Cooks.....	60 00
Cabin boys, each....	20 00
Men, each.....	30 00

Since the introduction of coal on steamers the fuel bills of boats have decreased. Wood was formerly at an average of \$2 50 per cord, and coal, up to last year, ten and eleven cents per bushel. The wood for United States steamers has been bought at an average of \$1 50 per cord, and coal contracted for at 9 cents.

Names of vessels and boats employed, dates and rates of their charter, their capacity, &c.

When charter'd.	Names.	Charter.	Capacity.		When discharged.	By whom employed.
			Tonnage.	No. men.		
1861.						
May 12	Iatan	<i>Per month.</i> \$1,500 00	500	1,000	.....	Captain Able.
27	City of Louisiana.....	1,500 00	800	1,000	.....	J. H. Bowen, by order of Major McKinstry.
July 29	White Cloud.....	1,500 00	500	800	.....	Taken by General Lyon's order about June 20 up Missouri river.
	War Eagle.....	2,000 00	500	800	.....	J. H. Bowen, by order of Major J. McKinstry.
	Des Moines.....	1,500 00	400	800	.....	do.
June 15	D. A. January	1,500 00	800	1,000	.....	Captain Saxton, by order of Major J. McKinstry.
15	Jeannie Deans.....	2,000 00	800	1,000	Aug. 14, 1861	J. H. Bowen, by order of Major J. McKinstry.
15	Warsaw.....	.....	800	1,000	Aug. 31, 1861	do.
Aug. 14	Hannibal City	2,000 00	800	1,000	.....	J. H. Bowen, by order of Major J. McKinstry, in place of the J. Deans.
July 29	G. W. Graham.....	2,400 00	1,000	1,500	.....	J. H. Bowen, by order of Major J. McKinstry.
29	Empress.....	2,500 00	1,800	2,500	.....	do.
Aug. 9	Aleck Scott.	1,800 00	1,200	1,500	.....	Captain Able.
Sept. 17	Memphis	2,250 00	1,000	1,500	.....	Do.
10	D. G. Taylor	1,500 00	1,000	1,500	.....	Do.
6	Meteor	1,500 00	600	1,000	.....	Taken possession of by United States marshal; was chartered for a hospital at first by Captain Able.
24	John Warner.....	1,500 00	600	1,000	.....	Captain Able, by order of commanding general.
24	Southwestern	1,500 00	600	1,000	Discharged ..	do.
21	Sam. Gaty.....	1,500 00	800	600	Oct. 9, 1861	do.
20	H. D. Bacon.....	1,500 00	600	600	.....	do.
23	Minnehaha	1,500 00	600	1,000	Oct. 27, 1861	do.
20	J. D. Perry.....	1,500 00	500	1,000	.....	Captain Able.
21	Post Boy	1,500 00	500	700	Oct. 9, 1861	Captain Able, by order of commanding general.
20	A. McDowell	1,500 00	700	1,000	.....	do.
	Sunshine .....	.....	600	1,000	.....	Now in service; this boat was captured up Missouri river.
21	W. L. Ewing	<i>Per day.</i> 200 00	600	1,000	Discharged ..	Captain Able, by order of commanding general.
	Northerner.....	200 00	500	800	do.....	do.
	Emma.....	200 00	500	1,000	do.....	do.
	Emilie.....	200 00	500	700	do.....	do.
	Spread Eagle	200 00	500	600	do.....	do.

NOTE.—The boats at \$200 per day includes all expenses; nothing chargeable to the United States except charter money.

In addition to the foregoing, the steamer "Illinois" was taken and used at Cape Girardeau, on an order of Captain Kelton, adjutant general. She has not been to this port. Also the little stern-wheel steamer "Colonel McNeil," which was in service for near two months. She belonged to the United States, and sunk a few days since in the Missouri river. All that was of any value was taken from the wreck and brought to St. Louis, including boilers, machinery, rigging, &c. The boat was of little value; was used chiefly as a tow-boat. Also the stern-wheel boat John Bell was taken on charter, with two barges, for a trip up the Missouri river with forage; price paid was \$200 a day for boat and barges, including crew, fuel, and all expenses. There is also in the service a wharf-boat, which is of great service in taking care of small lots of freight, and troops, in bad weather when there are none of the boats in port.

All of these boats carry the same number of officers, but the number of men differs according to the capacity of the craft. The average number of men to a boat, exclusive of officers, is twenty-four.

Question. This statement of the boats employed, the prices paid, the length of time employed, the wages of the officers employed upon the vessels, and the comparative prices paid now and heretofore, is a correct statement of those facts?

Answer. It is, according to the best of my knowledge and belief.

Question. I see that on the 29th of July the War Eagle was chartered at \$2,000 a month. From whom was that vessel chartered?

Answer. Of Captain Hugh L. White, who was captain and part owner.

Question. Is she entirely owned in this city?

Answer. I think she is.

Question. State how it happened that that vessel was chartered through the agency of J. P. Bowen, instead of being chartered regularly by Captain Abel.

Answer. I believe it is stated in the margin of that paper that it was chartered by order of Major McKinstry.

Question. What was the motive of McKinstry in ordering somebody else to charter that vessel?

Answer. I cannot tell. I was not in the employ of the government at that time and I have not heard the matter spoken of.

Question. When did your service commence?

Answer. About the first of September.

Question. You know of no reason why a number of boats were chartered through Bowen, by order of McKinstry, instead of through Captain Abel?

Answer. I do not. The War Eagle and a number of other boats were chartered about the time General Frémont made his movement down to Cairo and Bird's Point. It was a hurrying time. Troops were here waiting for boats to transport them. My opinion is that McKinstry employed him as an agent from the fact of his having a practical knowledge of steamboats and of steamboating.

Question. Captain Abel was, at the same time, the regular officer, having charge of the department of transportation, was he not?

Answer. Yes, sir.

Question. And previous to that time he had chartered only three vessels for the government?

Answer. That is all, I believe.

Question. At \$1,500 apiece?

Answer. I believe so.

Question. Now, how does it happen that seven vessels were chartered the same day, at prices ranging from \$1,500 to \$2,400 per month, were chartered through the agency of this J. H. Bowen?

Answer. Up to that time Captain Abel had been in command of the steamboat Louisiana, acting as the commander of and running that boat. At the time General Frémont took his fleet down to Cairo he gave up the personal command of that boat and took the superintendence of the fleet.

Question. Do you know what compensation J. H. Bowen received for his services in this business?

Answer. I do not.

Question. Would not the files of your office show?

Answer. I do not know.

Question. I see from the statement you have furnished that the aggregate cost per month of the vessels chartered on the 29th day of July is \$11,900. State for what purpose so large a number of vessels were chartered at that time.

Answer. For the purpose of conveying troops to Bird's Point and Cairo, by order of General Frémont.

Question. State the number of troops which were conveyed by those seven boats.

Answer. I do not know. Some of them had a thousand on. I should judge there was an average of 700 men to a boat.

Question. What number of men could have been carried on those seven boats at that time with the then condition of water in the Mississippi river?

Answer. Some of those boats had a regiment each on, and were pretty well loaded, while some of them had only 500 on.

Question. State how many troops those seven boats were capable of conveying upon that expedition.

Answer. I should say at least four of the boats could have carried 300 more men each. They all could have carried from nine to ten thousand men. That is the capacity of the boats I know, because I was some 20 days on the Hannibal City and for some time on the Jennie Deans, and I am well satisfied that the capacity of the boats, as stated in the statement I have furnished, is correct.

Question. State the reason why so large a number of vessels were made use of for the purpose of carrying so small a number of soldiers upon that expedition?

Answer. I cannot tell, because I was not then in the service and have heard no conversation in regard to it since. I know it was the impression of several of our steamboat men that several of the boats were not full, and that less boats would have carried the number of troops taken upon that expedition.

Question. Upon what vessel did General Frémont make that trip?

Answer. Upon the "City of Alton." She is not entered upon the list I have furnished, from the fact that she has not been on file in our office.

Question. By whom was she chartered?

Answer. By Major McKinstry, or some one in the quartermaster's department.

Question. At what price?

Answer. I am not able to answer that question.

Question. Did you not understand that it was \$5,400?

Answer. I did not.

Question. What did you understand upon that point?

Answer. I think it was published in the paper that a charge was brought in for \$28,000, but whether or not that was for more than a month I do not know. I remember that it was said that \$10,000 was charged for the extra risk upon that trip.

Question. Then, instead of seven boats being employed on the 29th of July upon that expedition, there were really eight vessels?

Answer. Yes, sir. The "City of Alton" had been in the service of the government for some time previous.

Question. Was she equal in capacity to either of the other vessels?

Answer. She was, in the point of carrying troops. She could carry 1,500 men.

Question. Do you know what number of troops were on that boat upon that trip?

Answer. I do not. I heard that General Frémont and his staff went down on her.

Question. But these eight boats were used in transporting to Cairo and Bird's Point but 4,000 troops?

Answer. Yes, sir.

Question. Was there any other purpose of taking that number of boats?

Answer. I do not know of any.

Question. Do you know the length of time these vessels were employed by the government at those prices?

Answer. Most of them are in the government employ at the present time.

Question. Have the prices been increased above what they appear on this paper?

Answer. No, sir; not since I have been in the office.

Question. Prior to the suspension of business upon the Mississippi river, below the mouth of the Ohio, what would have been a fair monthly rate of charter for such a steamboat as the "Empress?"

Answer. I consider the "Empress" one of the cheapest boats the government has chartered. We pay \$2,500 a month for her, and she has a capacity of 1,800 tons and 2,500 men.

Question. What would have been a fair price for that boat per month prior to the suspension of trade upon the river?

Answer. My impression is, that she could not have been chartered for a cent less than \$4,000 a month.

Question. How old is she?

Answer. She came out a year ago last March, I believe.

Question. What did she cost?

Answer. Sixty-five thousand dollars.

Question. In chartering the boats at the prices set forth in your statement, who incurs the expense of furnishing supplies for the boats and of the officers and crews?

Answer. The officers and crew are paid by the government, and the supplies are furnished to the government at so much a ration. The captain generally attends to that.

Question. In what manner are the rations and the other supplies furnished for the men on board the boats?

Answer. The purchases are usually made by the captain, and they are charged to the government at the rate of sixty cents per day per man.

Question. What number of men are employed, for instance, upon such a boat as the War Eagle?

Answer. Upon each vessel there are one captain, at \$175 per month; two pilots, at \$150 each; one first engineer, at \$125; one second engineer, at \$75; two strikers, at \$25 each; one clerk, at \$50; two masters, at \$50 each; one carpenter, at \$50; one watchman, at \$30; one steward, at \$45; one cook, at \$45; one second cook, at \$18; two cabin boys, at \$15 each; and from twenty to thirty men on each vessel, according to their capacity, and at from \$20 to \$30 a month, according to the demand.

Question. What is the fair average cost of coal upon those vessels?

Answer. I should judge, if kept under constant steam, the boats which burn all coal would consume 600 bushels in twenty-four hours.

Question. At what cost per ton?

Answer. We are paying nine cents per bushel of eighty pounds, delivered on board.

Question. Do the rations furnished at sixty cents per day apply to the officers as well as the crew?

Answer. Yes, sir.

Question. Is not that rather a high price?

Answer. It would not have been prior to the present time; but now the rations could be furnished at a cheaper rate.

Question. Could they not be furnished for one-half that amount?

Answer. By buying in quantities I should think probably they might be.

Question. The great body of these vessels were thrown out of employment by the suspension of business upon the river?

Answer. Nearly all of them.

Question. Taking that fact into consideration, are not the prices paid for the principal boats, ranging from \$1,500 to \$2,500, rather high; and cannot boats be employed at figures more nearly corresponding with the present condition of things?

Answer. In business seasons they would be worth at least double those prices.

Question. But there is really no business for them to do now?

Answer. No, sir.

Question. And it does not make much difference with a vessel whether she is employed or is lying idle?

Answer. If employed in the merchant service it would not, but the transportation of troops is the hardest kind of wear upon a steamboat.

Question. How much too high is the charge, on an average, for the boats now employed, taking into consideration the unsettled condition of things, and the almost entire suspension of business upon the river.

Answer. I should say at least \$500 a month upon the "Empress," for one, and I should say there should be a deduction of \$500 a month on each boat chartered at \$2,000.

Question. Would a proportionate deduction hold good upon the whole list?

Answer. No, sir. There are some of the boats—the H. D. Bacon, for instance—which are very excellent boats, nearly new, and capable of carrying a great deal of freight at the present low stage of water in the Missouri river; and I should consider the price at which such boats are chartered as about right.

Question. In what manner are these various vessels employed at this time?

Answer. In carrying troops, forage, commissary stores, wagons, mules, horses, &c.

Question. How many of them are now idle and unemployed?

Answer. Not any. They are all employed here, or are absent up or down the river. We have but one boat at the levee to-night. They have all been pretty generally employed except for about a week after the great rush of troops up the Missouri river.

Question. Do you not think that \$175 a month, at a time like this, when business is suspended upon the river, is rather a high price to pay the captains of those boats?

Answer. I have no doubt that men could be found who would take the positions for less money.

Question. Cannot competent men be employed for a less sum than that?

Answer. In my opinion they can be.

Question. Is the same true as to pilots and engineers?

Answer. I think the wages of those men are nearer a fair price, in comparison to the merchant service, than the wages of the captains. I do not think the wages of a captain should be any more than that of a pilot.

Question. For what purpose are clerks employed on board of these vessels?

Answer. The clerk keeps a record of the transactions of the boat, keeps a list of the crew for the time being, keeps a record of all receipts for fuel, and receives and discharges all the government freight, and generally performs all the duties of a clerk on board a steamer in the merchant service.

Question. By whom are the captains and other officers employed?

Answer. A portion of them are employed by order of Quartermaster McKinstry—for instance, the captain of the January and the captain of the Des Moines. The captain of the January is a friend of McKinstry's. I think Captain Saxton chartered the January for the government.

Question. By whom have the other captains and officers been employed?

Answer. Some of them by the quartermaster, but more recently Captain Abel has designated the commanders, crews, pilots, and clerks. It has been done either by him personally, or with his consent and approval.

Question. With the views you have expressed in reference to this matter, will you state why the interests of the government are not better guarded in relation to the price paid per month for these vessels, the wages paid the officers and men, and the amount paid for rations.

Answer. I should give it as my opinion that these vessels were taken up in haste, and that the prices agreed to be paid were so much below the customary prices in the main that they considered they had made a fair deduction upon former prices. The employment of the men has been mostly left to a practical man, Captain Abel, and he has in most instances consulted with the quartermaster to know whether he had any preferences.

Question. Could not other persons equally as competent be employed by the government at this time on much more favorable terms?

Answer. Possibly, in some instances.

Question. Especially would not economy be much consulted by making a fair and reasonable deduction from this charge of 60 cents per day, which is paid to the captain for the rations of each man?

Answer. I am satisfied that at the present cheap price of provisions the rations could be furnished for less.

Question. Would not 30 cents per day these times be a fair price?

Answer. I think 40 cents would pay expenses and trouble.

Question. Is your department taking any steps towards correcting that evil?

Answer. Captain Abel has endeavored, in every instance, to get the boats as low as possible. In cases where I have heard of contracts made outside of our office they were at a much higher price than Captain Abel has paid. To my personal knowledge Captain Abel has taken pains to get the price of the boats down from the original prices at which they were held, under the feeling that in chartering the boats to the government they would be able to get a large sum. My opinion is, that Captain Abel has acted with integrity, and with a view to as rigid economy as he would have acted for an individual. I have always considered that he watched the interests of the government as closely as he would if he had been operating for individuals.

Question. What is the cost to the government, per month, for supplying the officers and crew of an average vessel with rations at 60 cents per day?

Answer. The boats will average 45 persons on board, and I should say that \$25 a day would be the fair average cost to the government. That would be \$750 per month.

Question. Do you know of any person having an interest in connexion with the captains in furnishing supplies for those vessels?

Answer. I do not. I have heard a man say that he would do thus and so, and subsist the boat. The bills are made out in the name of the captains.

Question. What parties have you heard have furnished supplies to these vessels except the captains?

Answer. I heard of one instance in which Captain Bowen was to be interested with Captain Baldwin in supplying the steamer. They had some difficulty, I know, in relation to dividing the profits on the subsistence. They could not agree upon the proportion which each one was to receive.

Question. In that case was anything said as to the net profits of the venture?

Answer. No, sir.

Question. Have you heard how much it was?

Answer. I have not. I have never seen them together since that time. They came down to refer the matter to Captain Abel; but he told them it was a matter between themselves exclusively, and they must settle the difficulty themselves.

Question. And this was in reference to one of the vessels chartered through Mr. Bowen himself?

Answer. Yes, sir; the Des Moines.

Question. That was one of the seven vessels he chartered on one day?

Answer. I think so, but I am not positive.

Question. It was one of the seven vessels obtained for the quartermaster's department by Bowen at the time General Frémont made his trip to Bird's Point and Cairo?

Answer. I so understand it.

Question. Who is Captain Saxton?

Answer. He was an officer at the arsenal about that time.

Question. How did it happen that he was commissioned to hire a vessel for the government?

Answer. I stated that fact, but not from my own positive knowledge.

Question. Why was he employed for that purpose?

Answer. I cannot answer that question. I was not in the employ of the government then, and I have heard no reason assigned.

Question. Have you heard of any other controversies between captains and others in relation to a division of the profits upon furnishing supplies?

Answer. I have not.

Question. What is your judgment as to the amount of profits to each captain, upon an average, from that source?

Answer. I should say that two-thirds of what is paid them would purchase the provisions.

Question. I see by the list that the "January" was chartered by Captain Saxton.

Answer. She was under direction of Major McKinstry. I state that I know that only from report.

Question. The January was chartered in June.

Answer. Yes, sir; she was employed by the government prior to General Frémont's arrival.

Question. Saxton was one of the quartermasters under Major McKinstry.

Answer. I so understand.

St. LOUIS, *October 28, 1861.*

CHAUNCEY MCKEEVER, being duly sworn, was examined as follows :

Question. State your official position.

Answer. I am assistant adjutant general, with the rank of captain, in the United States army; I am in the adjutant general's department.

Question. How long have you been stationed in St. Louis?

Answer. Since the 29th or 30th of August.

Question. Is your position that of a staff officer?

Answer. Yes, sir; on General Frémont staff.

Question. How long have you occupied that position?

Answer. I have had the appointment and pay since the first of July. Before that I was acting assistant adjutant general.

Question. What are your particular duties here?

Answer. I have charge of all the records of the department, and all orders should be issued by myself or the acting assistant adjutant general in the general's absence. I issue such orders as must be issued at once, and which cannot be referred to the general in consequence of his absence.

Question. Do you issue all orders here in reference to military affairs?

Answer. Yes, sir.

Question. From whom is your appointment?

Answer. From the President.

Question. You are attached to the staff of Frémont?

Answer. Yes, sir; merely temporarily. My orders were, to repair to the western department and report for duty as assistant adjutant general of this department. It makes no difference who is commander of the department, I would still be the assistant adjutant general.

Question. Look at the following general order, No. 15 :

HEADQUARTERS WESTERN DEPARTMENT,

*St. Louis, Mo., September 20, 1861.*GENERAL ORDERS, }
No. 15. }

I. The following officers are announced as constituting the staff of the major general commanding the department. They will be obeyed and respected accordingly:

Chief of staff.—Brigadier General A. Asboth.

Assistant adjutant general.—Captain Chauncey McKeever.

Military secretary and senior aide-de-camp.—Colonel J. H. Eaton.

Chief topographical engineer.—Colonel John T. Fiala.

Chief of ordnance.—Colonel Gustave Waagner.

Chief of artillery.—Lieutenant Colonel James Totten.

Judge advocate.—Major R. M. Corwine.

Division surgeon.—Doctor T. Telkamp.

Assistant surgeon.—Doctor John Cooper.

Acting assistant quartermaster general.—Brigadier General J. McKinstry.

Assistant quartermaster.—Captain E. M. Davis.

Deputy paymaster general.—Lieutenant Colonel T. P. Andrews.

Commander of body guard.—Major Charles Zagonyi.

Musical director.—Captain A. Waldauer.

Aides-de-camp.—Colonel A. Albert, Colonel Gustave Koerner, Colonel J. P. C. Shanks, Colonel Owen Lovejoy, Colonel John A. Gurley, Colonel I. C. Woods, Colonel R. N. Hudson, Major James W. Savage, Major Frank J. White, Major Wm. Dorsheimer, Major B. Rush Plumley, Captain J. R. Howard, Captain Leonidas Haskell, and Captain Joseph Reminyfy.

II. The special duties assigned to the aides-de-camp are as follows:

Colonel Albert, adlatus to chief of staff; Colonel Woods, director of transportation; Major Savage, military registrar and expeditor; Major Plumley, postal director; Captain Haskell, police director; Major Dorsheimer and Captain Howard, private secretaries.

By order of Major General Frémont.

CHAUNCEY McKEEVER,

Assistant Adjutant General.

Question. State how many of those gentlemen, forming General Frémont's staff, are officers holding commissions from the President; how many of them hold commissions from General Frémont; what is the nature of the commissions they hold from General Frémont; what the military authority they exercise, and which they have the right to exercise?

Answer. Brigadier General Asboth is the first on the list. I do not know that he has any commission except an appointment as brigadier general from General Frémont, which, under the laws of the United States, is null and void. General Frémont says the President authorized him to make the appointment. The appointment has gone to Washington, but it has not yet been confirmed.

My position, which is next on the list, I have already explained.

Colonel Eaton has a commission from the President as additional paymaster, with the rank of major. He is here called military secretary and senior aide-de-camp, with the rank of colonel. His commission is from General Frémont also.

Question. Has General Frémont any authority to grant such a commission?

Answer. Not that I know of. There is a law of Congress which authorizes a general to appoint such persons on his staff, with the rank of colonel, lieutenant colonel, major, or captain, as the President may authorize. But the President has not approved these appointments, so far as I know.

The next name is that of Colonel Fiala, chief topographical engineer. There is no such office known in the army. There is but one topographical engineer in the army, and he is Colonel S. H. Long.

Question. Then this appointment is an appointment outside of the law?

Answer. It is outside of the law, which says there shall be one.

Question. From whom did he derive his appointment?

Answer. From General Frémont.

The next name is that of Colonel Waagner, chief of ordnance. He holds his appointment from General Frémont. There is no such appointment as chief of ordnance, except that of General Ripley, appointed by a law of Congress.

Question. Do you know of any authority which a major general has to make an appointment as chief of ordnance?

Answer. No, sir.

The next name is that of Lieutenant Colonel Totten, chief of artillery. He is a captain of the second artillery, and is in the regular service. I do not know whether he had an appointment when this order was issued. He is lieutenant colonel of a volunteer regiment. There is no such office as chief of artillery in the volunteer service.

The next is Major Corwine, judge advocate. There is but one judge advocate authorized by law, and that is John Lee. I think Major Corwine has not drawn any pay.

The next name is that of Dr. Telkampff, division surgeon. There is no such thing in our service. I think he claims the pay and rank of colonel.

The next is assistant surgeon, John Cooper. He has an appointment from General Frémont as assistant surgeon. He may have given him an appointment and attached him to a regiment. I do not know that there is any illegality about that.

Question. Can a major general appoint an assistant surgeon in the United States army?

Answer. No, sir; not in the United States army. He may be mustered into a regiment and draw pay without a commission.

The next name is that of assistant quartermaster general, J. McKinstry, as brigadier general. I understand he is now put down in the Army Register as commissioned by the President.

Question. State whether McKinstry is still acting as quartermaster.

Answer. He is not. He has been relieved, and is now commanding a division.

Question. State whether he has not assumed to act as quartermaster since he left for the field.

Answer. I understood he took property there and turned it over to his division, and that he came down here and made purchases not only for the quartermaster's department, but for the ordnance department, as quartermaster.

Question. What is the understanding as to the incompatibility of a man holding the position of assistant quartermaster general, and at the same time that of brigadier general?

Answer. According to my idea, the moment he received his commission as brigadier general he had no authority whatever to act as quartermaster.

Question. State whether or not he acted as quartermaster here, in the city of St. Louis, after he received his appointment as brigadier general.

Answer. He did.

Question. And signed his name as brigadier general and quartermaster?

Answer. Yes, sir.

The next is assistant quartermaster, Captain E. M. Davis. He has an appointment by the President in the volunteer service during the war. He has been acting as quartermaster, and has been residing at headquarters, in purchasing clothing, renting buildings, &c.

Question. State the necessity and propriety of such an officer being attached to the staff of a major general; is there any reason why that business should not have been done by a quartermaster of the line?

Answer. I know of no reason why it could not have been done.

Question. Could not his duties have been done by a regular quartermaster of the army?

Answer. I think they could have been better done by a regular officer.

Question. In your judgment would the interest of the public service be advanced by the establishment of such an officer at headquarters?

Answer. I know of no benefit resulting from it.

Question. What has been his particular duty there?

Answer. He has paid off three or four clerks employed by the major general, and has taken charge of renting the buildings about headquarters.

Question. Do you know anything about the expenditures which Captain Davis has made there?

Answer. He rented the building which General Frémont has lived in—the house called the headquarters of the department. He has rented a building just above that, on Chouteau avenue, where Major Zagonyi and others had their quarters. It is not a very large house. Stables have been built in the rear of it.

Next on the list is deputy paymaster general, Lieutenant Colonel T. P. Andrews. He is an officer holding his commission from the President.

Next is Major Zagonyi, commander of body guard. He has his appointment from General Frémont.

Question. What kind of an appointment has he?

Answer. He is appointed major; is mustered into the service, and has command of some three or four companies of cavalry. The next is Captain Waldauer, musical director. I never have heard of that office since I have been in the service. He has two commissions, one as captain of engineers. He brought me his commission as captain of engineers and asked me to pay him, but I declined.

Question. Where is he at present?

Answer. I saw him here this morning.

Question. What are his peculiar duties?

Answer. I believe he is the leader of a band, called the Selover band, attached to the body guard located at headquarters, and which has now gone out with the general. He got up the band, I believe. I think that all colonels of regiments were advised to put the matter of music into the hands of Captain Waldauer. The government is not to pay for the instruments, but he is to buy them upon credit, and they are to be paid for by subscriptions among the men. There appear next on the list a number of aides-de-camp. Then follows a specification of special duties assigned to some of the aides-de-camp. Colonel Albert is called *adlatus* to chief of staff. I believe they mean by that that he is an assistant to Brigadier General Asboth.

Question. What is understood by that designation, *adlatus*, in the army?

Answer. I never heard of it before.

Question. What do you understand by it as it stands upon that general order?

Answer. That he is ordered to report himself to General Asboth to assist him in his duties as chief of staff.

Question. Is it an ordinary thing in the army for an aid to have an aid?

Answer. It is not.

Question. Is this an innovation?

Answer. It is in our service. It is, however, known in the foreign service, I believe. The next aide-de-camp is Colonel Kœrner. He has a commission from the President, and he is, so far as I know, the only aide-de-camp whose appointment has been confirmed. Colonel Woods is director of transportation. I never heard of such an office before. He has the charge of all transportation, and at times has given orders for chartering steamboats. He gave an order to Captain Abel to charter ten steamers, and signed the order himself, "by order." The quartermaster said that would not cover his account, and that he would get himself into trouble if the order went to Washington in that way. He made inquiries, and found that the general had given power to charter those steamers, and he signed the order himself, and saved the colonel. The next name is Major Savage, military registrator and expeditor.

Question. Be good enough to state what that means.

Answer. It is too much for me. I know of no such office.

Question. What duties does he perform?

Answer. Major Savage has not performed any duties that I know of.

Question. To go back a moment to Colonel Woods, what is the nature of his commission?

Answer. He has only a commission from General Frémont as colonel upon his staff. He once had Captain Castle and Captain Abel under his control at one time, and they were controlled by him entirely. The next name is that of Major Plumley, postal director. He has charge of all the mails that go from and come to headquarters. He also has charge of the telegraph, and the telegraph operators receive their orders from him. He has no commission.

Question. Where is his post now?

Answer. He is now in Washington.

Question. What is he doing there?

Answer. He brought me an order from General Frémont ordering him to go to Washington on business connected with this department.

Question. When?

Answer. When the Secretary of War went up to Tipton.

Question. Did the order say when he should come back?

Answer. No, sir.

Question. Did he go at the expense of the government?

Answer. Yes, sir. He was also to go to New York and Boston.

Question. At what compensation?

Answer. I presume he expects to get ten cents a mile there and back. The next name is that of Captain Haskell, police director.

Question. What is his position?

Answer. I do not know.

Question. What is a police director in the army?

Answer. I do not know of any such office. He is now with the general in the field. The next are Major Dorsheimer and Captain Howard, private secretaries. They are the military secretaries of the general, to copy his letters, &c. They are legitimate appointments under the law, but their appointments are not yet confirmed by the President, though I presume they will be.

Question. Can the general designate the rank when he appoints his secretaries?

Answer. He can ask the President to give them what rank he pleases.

Question. State the object of the appointments on this list which are not appointments recognized by the laws of the United States, or by the military regulations?

Answer. I presume the general did not believe that he could do without them. He has no topographical engineer officers, and no topographical department in this department, and I presume he could not get along without them.

Question. Would it have been the duty, under the law, of the government at Washington, to furnish him with them?

Answer. The government should have furnished him with them.

Question. Did he make a requisition on the government for them?

Answer. I do not know. I never saw any requisition. I once heard Captain Kelton say that he did.

Question. What has been the position that Colonel Woods has occupied towards General Frémont?

Answer. He has been in his family.

Question. You spoke of his having given orders to charter steamboats. Do you know of his giving other orders?

Answer. He has given a good many orders to purchase various things.

Question. By what authority did he give those orders?

Answer. I presume he had authority from the general commanding, although in most cases the orders which he gave did not say so. They merely stated "by order, J. C. Woods."

Question. What is the regulation of the army upon that subject?

Answer. The army regulation requires that every order shall state the name of the authority by which the order is given.

Question. Then all orders which did not state that were not in accordance with the army regulations?

Answer. They were not. And in my opinion the quartermaster or other disbursing officer who should act upon such an order would have difficulty in settling his accounts at Washington.

Question. You have spoken of the body guard. Be good enough to state to the committee what that body guard is; how it is organized; who commands it; the number of men that compose it; and its particular object?

Answer. The body guard is composed of three companies of cavalry. I do not know that the number is limited.

Question. Is it or was it stationed here in St. Louis?

Answer. It was before the general left. It is commanded by Major Zagonyi.

Question. Is Zagonyi the gentleman of whom you spoke as being a member of General Frémont's staff?

Answer. Yes, sir.

Question. He holds no commission from the general government?

Answer. None, I believe.

Question. Who is Major Zagonyi?

Answer. He is a foreigner. I think a Hungarian.

Question. How long has he been in this country?

Answer. I cannot tell. I understood he came from New York, where, I understood, he had been giving lessons in riding. I have no positive knowledge upon the subject.

Question. Did he occupy a house near headquarters?

Answer. He occupied a house just above it, in Chouteau avenue.

Question. Was it assigned to him as a member of the general's staff?

Answer. I think it was assigned to him and to Dr. Cooper.

Question. What rent was paid for that house?

Answer. I think a thousand or twelve hundred dollars a year.

Question. Did he at any time have a guard about that house?

Answer. I think there was generally a sentinel at the door.

Question. What was the object of having a sentinel there?

Answer. That I cannot say exactly.

Question. Was it a matter of military necessity for the commander of a body guard to have a guard?

Answer. I cannot say whether it was a matter of military necessity, but it was sometimes necessary to have a man there to keep outside persons out.

Question. The orders you have executed have invariably come from the general?

Answer. No, sir. They have sometimes come through Colonel Eaton, but he never sent me orders without the general's express orders to him, and he always stated so. Sometimes I received orders from the general in person.

Question. Do you know anything about this sanitary commission in St. Louis?

Answer. I understood that the sanitary commission here were to have the same powers that the sanitary commission had in Washington or at the East.

Question. Has there been any changes made here recently in the hospitals?

Answer. I believe there are some new hospitals here now.

Question. Has there been any changes made in the old hospitals?

Answer. I believe there have been, but I do not know how recently. They have been improving the hospitals, and making them very comfortable. They have also been getting more nurses and more attendants. Before that complaints were made that the medical department was insufficient, and I believe it was necessary that a change should be made, but whether the money was expended judiciously I cannot say.

Question. What changes have been made?

Answer. I cannot say exactly, except that nurses and attendants and watchmen have been hired—assistance not provided for in the regulations, but which seemed necessary.

Question. From whom would orders for such changes come?

Answer. From the general commanding. I think the most of them were made by his express orders—sometimes verbal, and sometimes written.

Question. Who compose this sanitary commission?

Answer. I only recollect the names of two members—Yateman, the president, and Elliot, a director. They appear to be the principal men.

Question. I have one further question to ask you in reference to the movement of troops. State what you know of a recent order given to a Mr. Lamon for the movement of some troops?

Answer. I received a note from Colonel Eaton, stating that the general wished me to order the 39th Illinois regiment to proceed to Virginia to join General Lamon's brigade. I understand that he is the same gentleman who is, or was, when I was in Washington, United States marshal of the District.

Question. Do you understand that he is to receive a commission as brigadier general?

Answer. I so understand. He spoke of himself so. He wore the

uniform of a brigadier general. He told me he had four regiments in his brigade.

Question. What was the purpose of his mission here?

Answer. His only statement to me was, that he was here to get this 39th regiment which had been promised him some time before.

Question. By whom was it promised?

Answer. I understood the President told him he could have it. I gathered that from conversation with him.

Question. Then you understood his mission here was to get an order from General Frémont for the removal of that regiment?

Answer. Yes, sir. He went up to see General Frémont and came back, and this order was sent me. A telegram was sent to me from Tipton, which reached me the day before he reached here.

Question. Has the order to move this regiment been carried out?

Answer. The order has been issued, and I expect the regiment will leave to-morrow.

Question. Where is that regiment at the present time?

Answer. At Benton barracks.

Question. From your knowledge of the military wants of this section of the country is that regiment needed here?

Answer. I think it is.

Question. Do you know what military object is to be accomplished by transferring that regiment to Western Virginia?

Answer. Nothing, except to give General Lamon an additional regiment to fill up his brigade.

Question. Where did this 39th regiment come from?

Answer. From Chicago.

Question. By what name are they known?

Answer. Yates Phalanx, I believe. It was to have joined General Frémont in the field, and was kept here waiting for arms.

Question. What expense is it to bring a regiment from Chicago here?

Answer. I cannot tell.

Question. If those troops were destined for Virginia, was it bringing them out of the way to bring them to St. Louis?

Answer. Just exactly the wrong way.

Question. What will be the probable cost of transporting this regiment to Williamsport, Virginia?

Answer. Somewhere about \$30,000.

Question. Has that regiment any arms now?

Answer. It has none that I know of?

Question. You do not know of any military object to be accomplished by sending those troops to Virginia at this time?

Answer. I do not.

Question. Do you know any other object except the gratification of General Lamon?

Answer. I know of none, and I presume that is the only reason?

Question. General Lamon you say was here. How did he leave here?

Answer. He told me Saturday night that he was going to leave at

8 o'clock Sunday morning. I have since understood that he went at that time.

Question. How did he go?

Answer. I cannot say positively. I heard the night before of his saying something about going by special train to Springfield, Illinois.

Question. Is there a regular train on Sunday morning?

Answer. No, sir.

Question. Do you know whether he went on a special train, and whether he went at his own expense or at the expense of the government?

Answer. I do not know whether he went, nor do I know at whose expense he went, if he did go.

Question. Do you know why Doctors Mills, Wagner, and Horton were removed from the military hospital; and if so, why and by whose order?

Answer. This is the first I have heard of it. Dr. Horton, I know, had been ordered by Dr. Telkamp to go to Otterville. I ordered that Dr. Schenck should be sent to Otterville to bring the sick from there here, and Dr. Horton went up to take care of those who were too sick to be removed. Dr. Mills was ordered about three weeks ago to join the general in the field. I knew he came back, but I presumed he was ordered by General Frémont. I did not know, however, that he had been removed.

Question. Do you know anything of the contract under which the five fortifications, numbering from fort No. 4, in this city, were built?

Answer. I do not know of any written contract. I have been told by the quartermaster and by members of General Frémont's staff that A. L. Beard had a contract for building those forts. And I know the quartermaster here has been directed to place certain funds in the hands of Beard. Major Allen has an order now to turn over some \$60,000. The Secretary of War said it was contrary to law, and ordered him not to do it.

Question. By whom was that order given?

Answer. By General Frémont.

Question. How recently?

Answer. Within ten days—since the Secretary of War was here.

Question. Do you know how it happened that the last five of the forts were being constructed by contract instead of being constructed as the first five were, by day's labor?

Answer. The reason assigned was that Beard was expected to build them more rapidly.

Question. Was there any difficulty in building them rapidly in the mode in which the first five forts were built?

Answer. I do not know of any.

Question. Have you understood from any source the amount which it would probably cost the government to construct the last five forts?

Answer. No, sir. I was told by Captain Turnley, who was the person who turned over the money, that he had deposited, by order of General Frémont, \$60,000 in bank to the credit of Beard to draw

upon, without the order of anybody. Then, as I said before, there is another order for \$60,000, and I understand that it is only part of the cost.

Question. Do you know, of your own knowledge, or do you know from information derived from any source, who are interested in that contract besides Beard?

Answer. I do not. I know only from conjecture.

Question. Have you any foundation for conjecture?

Answer. I cannot say that I have, only I know that Palmer and Beard are always together, and it is supposed that they are interested together, and that whatever job one takes, the other is interested in it.

Question. Do you know whether any of the sums paid to Beard have been paid upon estimates of the work done upon the forts?

Answer. I do not. The last order to which I have referred says, "pay Beard \$60,000."

Question. Was that issued before Frémont took the field?

Answer. It has been issued within the last ten days—since the Secretary of War was here.

Question. Did you see a published order of the Secretary of War directing a suspension of the work upon those fortifications, as well as on certain other works within the limits of this city?

Answer. I did, and I am certain the Secretary of War and Adjutant General Thomas, one or both, told me that order was in the letter which they handed to me to send to General Frémont?

Question. What was the order?

Answer. It was to suspend the work upon the fortifications here; the work upon the barracks; and that they should only use the money which should be sent here for the current expenditures of the department; that they should not pay the outstanding debts, and, unless Colonel Andrews had been compelled, he should not pay the orders of General Frémont which were without the sanction of law.

Question. In what manner did you send that letter to General Frémont?

Answer. I gave it to General Strong, who told me he was going direct to General Frémont, and I begged him to put the letter into General Frémont's hands himself. He went to Tipton, and then, he told me, he gave it to Colonel Woods who promised to see that it went directly to Frémont. I cannot say whether he received that letter or not, as he has never mentioned it in a letter to me. But a few days ago a letter came from there directed to the President of the United States; and General Frémont also telegraphed to me that I was to protest against the orders of the Secretary of War ordering a suspension of the work upon the fortifications and barracks. Before I sent off that protest I received a note from General Frémont stating that he would wait until he received official notification of the order, and gave me to understand that he would protest himself in that case. At the time I received this telegram from him I did not think the letter could have reached him. I think it must have reached him the afternoon of that day, if it reached him at all.

Question. What day did you deliver that letter into the possession of General Strong?

Answer. If the Secretary of War left on Monday, the 14th of October, I must have sent it on the morning of the 15th.

Question. About what time did you receive instructions to protest against the orders of the Secretary of War?

Answer. About the 17th.

Question. Since that time has there been any suspension of the work upon either the forts or barracks?

Answer. There has not been. It is not likely that any order to suspend works upon the forts or barracks would be sent without its going through me. I have received no order; and, besides, I know, from my own observation, that the work is going on now.

Question. You have spoken of the musical director, and of his being at the head of a particular band. What is the character of that band, and in what way is it related to the general movements of the army, and how large a number of persons are connected with it?

Answer. I believe there are 24 persons, the usual number connected with a band for infantry, but I have never heard of its being attached to any regiment. General Eaton, a short time before the general left here, consulted me about the propriety of having that band attached to some regiment. He asked me if I thought there was any law authorizing the payment of that band unless it should be attached to some regiment. I told him I could not see how it could be paid unless it was attached to some regiment.

Question. In what manner has this band been paid?

Answer. I suppose they have ordered the paymaster to pay it.

Question. By whose special order was this band organized?

Answer. It was organized before I came into this department. I suppose, however, it was organized by order of the general. It was always considered the headquarters' band.

Question. What is the position of Leonidas Haskell?

Answer. He is one of General Frémont's aides-de-camp.

Question. When was he appointed?

Answer. In September, some time.

Question. What do you know of his connexion with any contracts with, or orders by, the quartermaster's department, for furnishing mules and horses to the government?

Answer. I do not know anything except by common report. The report came from General McKinstry, or from Major Allen.

Question. With whom did he seem to be connected in the purchase of horses and mules?

Answer. With Beard.

Question. The same person who seemed to have a contract for building the fortifications?

Answer. Yes, sir. He has also an order for the purchase of a large number of mules, horses, and wagons, which order has not been obeyed thus far.

Question. What knowledge have you about the order for building

the machinery for the small propellers which are being built here by Mr. Adams?

Answer. The contracts were made with Reed, and with Mann, of this city.

Question. By whose order?

Answer. By General Frémont's.

Question. Through what agent?

Answer. Some of them through Leonidas Haskell, who signs himself as aide-de-camp, and as agent of the United States; and some by Major McKinstry, quartermaster.

Question. Do you know the name of Reed?

Answer. I do not. I received an order from General Frémont to order the quartermaster to pay Reed and Mann, on account of their contract, my impression is, the sum of \$5,000, and to notify Mr. Joseph Palmer of this order.

Question. Why notify him?

Answer. I cannot say. They came over promptly for the money after I told him. I stated that the commissions of but one of the aides-de-camp had been confirmed by the President. I was mistaken. I find that Major Dorshimer and Captain Howard have had their commissions confirmed by the President.

ST. LOUIS, *October 29, 1861.*

EDWARD H. CASTLE recalled:

Question. Are you acquainted with Mr. Lamon, the marshal of the District of Columbia?

Answer. I am.

Question. When did you last see him?

Answer. He came down the road Friday, and I saw him in this city Saturday evening.

Question. Where did he come from?

Answer. He had been to see General Frémont he said.

Question. For what purpose did you understand he had been to see General Frémont?

Answer. I did not learn.

Question. In what character as a military man, if any, did he seem to be acting?

Answer. He was introduced to me as brigadier general from Washington.

Question. Wearing the dress of such a military officer?

Answer. He had upon his shoulder the star, which I supposed indicated a brigadier general.

Question. Did he inform you of the purpose he had in calling upon you?

Answer. He did.

Question. When did he leave here?

Answer. On Sunday morning at 8 o'clock a. m.

Question. How?

Answer. By express train from the other side of the river to Springfield, Illinois.

Question. By what authority was he sent from here by express train Sunday morning; and was that train fitted out here for his express accommodation?

Answer. It was fitted out for his express accommodation; I have been in the habit of obeying brigadier's orders; he asked me to furnish him an express train, and finding I could do so, I ordered it and notified him of the fact; he said, as I understood, that he had business in Springfield for the President.

Question. Did you understand that from him?

Answer. I think so; at least some one said he had business for the President at Springfield, and he said he wanted to get through so as to do some business.

Question. What do you mean by an express train? Was there any regular train running from here Sunday morning?

Answer. There was no regular train; I ordered an engine and car for the express purpose of taking him to Springfield.

Question. Did anybody go with him?

Answer. I understood that several gentlemen went with him.

Question. Were they his suite?

Answer. No, sir; they were friends of his, both from Springfield and St. Louis.

Question. They went without paying?

Answer. Yes, sir; the government pays, according to a circular received from Washington, the running expenses of a special train, that is the actual cost of running the train.

Question. What would be the cost of running an express train from here to Springfield?

Answer. I am of opinion that thirty dollars would cover the expense; that may be too low; in calculating the expense I include the expenses for fuel, conductor, brakeman, oil, &c.

Question. Was this train sent at the expense of the government?

Answer. I ordered the train, as I am in the habit of doing, for brigadier generals for the government.

Question. What is the practice of the government in sending forward military gentlemen, such as brigadier generals and major generals, when they desire to travel. Are they sent at the government expense?

Answer. There have never been any express trains called for, except to carry military despatches represented as important, or to take, as for instance, Brigadier General Smith to Paducah; so that I can hardly judge as to the practice of the government. I understood that General Smith was going to take command there, as there was trouble there, and I sent him forward by an express train; I ordered an express train on one occasion to take important despatches to Pilot Knob, to be sent from there to General Lyon.

Question. When did the regular train leave here for Springfield on Sunday?

Answer. At three o'clock p. m., on the Ohio and Mississippi road.

Question. When did the 39th regiment of Illinois volunteers go to Western Virginia? By whose order was the shipment of those troops made, and by whose order was any particular route designated?

Answer. General Lamon and Assistant Adjutant McKeever had an interview in reference to the matter, and it was agreed between them that the regiment should go by the Terre Haute and Alton road, thence to Pittsburg, thence to Harrisburg, and on to Hagerstown. After the interview, I met Lamon and was introduced to him again; he then named to me that this regiment was going east, and he said he wished them to go over that route.

Question. Do you know for what purpose that regiment is being shipped to Western Virginia?

Answer. I have not the slightest idea.

Question. To constitute whose command?

Answer. I do not know.

Question. By whose order did you make the shipment of that regiment?

Answer. By order of both General Lamon and Assistant Adjutant General McKeever.

Question. They both directed you to ship them by the same route?

Answer. Yes, sir.

Question. What command, if any, has Brigadier General Lamon in the State of Missouri?

Answer. Not any. I understand that the President sent him to General Frémont with important despatches. He went from here to Tipton, and thence by stage to the army, as I understood from a messenger who went with him for the purpose of looking after him.

Question. Did he go there by express?

Answer. We have an ambulance stage running from Tipton to the army, and he went by that.

Question. He went at the expense of the government?

Answer. I presume so.

Question. Your agent went with him?

Answer. My agent was going anyway. My express messenger was on the cars, and I told him to show General Lamon attention and contribute to his comfort.

Question. He went to General Frémont's headquarters, to the field, by the regular and ordinary messenger conveyance, and not by an express train?

Answer. Not by an express train.

Question. At the expense of the government?

Answer. I presume so.

Question. What did he himself tell you about the shipment of the 39th regiment to Western Virginia?

Answer. He said he wanted them shipped by the Terre Haute and Alton road. I told him that the Ohio and Mississippi road had done business for us; that they were our friends, and were always ready to put themselves out for us. The remark was made by Lamon or

McKeever, I do not recollect which, that that road had been unfortunate in carrying our troops—an accident having occurred some time since—and that they preferred sending the troops by the other road.

Question. Which was the most direct of the two routes, the one by Cincinnati, or the one by Bellefontaine?

Answer. I do not think there is much difference in the distances, but I had been in the habit of sending by the Ohio and Mississippi road.

Question. Is not the route more direct by the way of Cincinnati than by the way of Bellefontaine?

Answer. The price is the same, and, by the map, it does not appear that one is much more direct than the other. Objection was made by one of those persons to the Ohio and Mississippi road on account of the long cartage through Cincinnati, and the difficulty in controlling the men in such a large place.

Question. Where did that regiment come here from in the first place?

Answer. From Chicago.

Question. Had they never been in the field in Missouri?

Answer. I believe not.

Question. What was the cost of their shipment from Chicago to this point?

Answer. It is nearly two cents a mile—about six dollars each man. The whole expense would not vary much from six or seven thousand dollars, freight and all.

Question. What will be the cost of their shipment by the way of the Terre Haute and Alton railroad to the western part of Virginia?

Answer. I have made no calculation of that matter. I judge that the distance must be 800 miles or more.

Question. How much would all the expenses vary from \$30,000?

Answer. Not much.

Question. Is there not to be a land carriage when the troops get to Harrisburg?

Answer. They go to Hagerstown, the terminus of the railroad, and thence by land to Williamsport. Usually when I am asked to furnish transportation to a certain point, I look over the map and see the shortest and cheapest route, and then send by that route, unless I am otherwise ordered.

Question. Do you know or have you heard of any military necessity of shipping those troops from this point to Western Virginia?

Answer. I have not; on the contrary, I should suppose they were more needed here than there.

Question. Referring again to the matter of sending out express trains, what right or authority have you to send anybody over a route at the expense of the government, except by command of the commanding officer of the department?

Answer. Not any.

Question. By what authority, then, did you assume to transport over the road from here to Springfield, at the government expense, General Lamon and whoever chose to go with him?

Answer. Assistant Adjutant General McKeever had talked with me about his being here, and said I did not need an order.

Question. Did the adjutant general give you any authority?

Answer. He did not.

Question. Has any man, assuming to be a brigadier general, roving about the country with epaulettes on, the right to demand of you, or of any person who has charge of the government transportation, an express train to carry him wherever he chooses?

Answer. No, sir.

Question. What authority had you for putting the government to the expense of this extra train from here to Springfield?

Answer. I do not know that I have any. I claim none beyond General Lamon's desire that I should furnish such a train.

Question. You would do the same, then, by any other military man?

Answer. No, sir, I would not. He being a brigadier general, I supposed it was my duty to help him as he desired.

Question. Do you suppose it to be your duty to send a brigadier general to any point he desires?

Answer. Should another brigadier general come along under similar circumstances I should go to the adjutant general.

Question. How did you take it for granted that you were ordered to do it?

Answer. I had no order from the adjutant general, but Lamon asked me if I could give him a train.

Question. Did you consider that a brigadier general who has no command in this department had a right to give you orders?

Answer. I should not now. Without giving the matter a moment's thought, the thing never having occurred before, and he being a brigadier general from Washington, I sent him forward according to his request.

Question. Who were the men who accompanied him?

Answer. I am not able to tell.

Question. I suppose you considered yourself justifiable in sending forward General Lamon, but what authority had you for sending other men, having no military position, at the government expense?

Answer. It cost no more to take them on.

Question. That does not answer the question.

Answer. I did not consider it improper to send along the gentlemen who accompanied the general. Inasmuch as a car was going anyhow, I thought it but courtesy that some of our gentlemen and some Springfield gentlemen should accompany him and show him attention.

Question. If left to your own discretion in regard to the route by which that 39th regiment should be transported to its point of destination, which way would you have sent it?

Answer. I should have felt that there was but very little choice between the Ohio and Mississippi road and the route by which they were sent. I have generally, however, used the Ohio and Mississippi road.

Question. As a military man, in charge of the transportation service of the government here, how would the public interest be better sub-

served by sending them by the Ohio and Mississippi road than by the other route?

Answer. I do not think there would be much difference, whichever way you sent them. Some maintain that the upper route is the shortest, but I was talking with the superintendent of the Ohio and Mississippi road, and he contended that his road was the shorter by a few miles.

Question. Do you think the expense to the government of transporting those troops to Virginia will be anything less than \$30,000?

Answer. I do not.

Question. What corresponding advantage is there to the government in transporting troops from this point, where they are needed, to that point?

Answer. It looks now as if there were not any.

Question. In your conversation with Lamon did you hear any reason assigned for sending that regiment there?

Answer. I did not.

Question. Who is the colonel of that regiment?

Answer. Colonel Light.

Question. Has the regiment started?

Answer. They have just gone over the river.

Question. Have they any arms?

Answer. Yes, sir; they have been armed.

Question. Did they have arms in their hands?

Answer. I believe so. I saw them marching down to the river, but I would not swear that they had arms, though my impression is that they had.

ST. LOUIS, *October 29, 1861.*

JOHN R. COOK, being duly sworn, was examined as follows:

Question. In what branch of the public service are you engaged?

Answer. I am engaged with Captain Turnley, assistant quartermaster United States army.

Question. State in what particular capacity.

Answer. I am private secretary.

Question. Were you present at the opening of the bids filed under the advertisement of General Meigs, quartermaster general, for proposals for furnishing hay, oats, and corn, at this city?

Answer. I was.

Question. On what day were those proposals opened?

Answer. I think the 26th of September. It was fast-day.

Question. At what hour of the day?

Answer. I think it was 12 o'clock.

Question. At what place?

Answer. In Captain Turnley's office, in the building in which the quartermaster used to have his office.

Question. Was it at the office of the chief quartermaster of this city?

Answer. It was not.

Question. Whose office would that have been?

Answer. General McKinstry's, at that time.

Question. Who besides the bidders were present at the time those bids were opened?

Answer. Mr. Clark opened all the bids.

Question. Who besides the bidders, yourself, and Mr. Clark were present?

Answer. Captain Turnley.

Question. Anybody else?

Answer. Yes, sir.

Question. Who?

Answer. Mr. Rutter, I think.

Question. What position did he occupy in connexion with your department?

Answer. Not any. He was a friend of mine.

Question. Resident of this city?

Answer. No, sir. I do not know that he had any connexion with the office at that time.

Question. Where does he reside?

Answer. In Chicago.

Question. How long had he been in this city?

Answer. I do not know.

Question. What object had he in being present if not a bidder, nor interested in the bids?

Answer. I do not know.

Question. Did he have any interest in any of the bids?

Answer. Not that I know of.

Question. Did you understand from him, or from any other person, that he had an interest in any of the bids?

Answer. I did not.

Question. What particular duty did you perform in connexion with the opening of the bids?

Answer. I merely took a list of the bids, as Clark told me to, as he called them off.

Question. Do you mean that as the bids were opened you put down the names of the bidders and the sums bid?

Answer. Yes, sir.

Question. Did you put them down upon the paper you now hold in your hand? (referring to the list of bidders and bids brought before the committee by Mr. Peter Clark, as appears in his testimony, and in which the first name was interlined.)

Answer. No, sir. I took them down upon another paper, and because I did not get it right in the first place, I made a list from what I did have, and from the bids before me. This is a correct copy of what I first made out. The first list was correct, except that it was not written well enough.

Question. As Mr. Clark read off the bids you took down the names of the bidders, the articles bid for, and the price bid?

Answer. Yes, sir.

Question. How many bids were there altogether, for hay?

Answer. It appears from this paper that there were 49.

Question. Is that paper which you hold in your hand a correct abstract of the bids as they were called off?

Answer. Yes, sir.

Question. Is this a correct copy of the original paper, and do the names upon it appear in the same order as they did upon the paper on which you took down the names at the time you first made an abstract of the bids?

Answer. I took down the names originally very roughly, and then I copied it off in a plain hand.

Question. Is it a correct copy?

Answer. It is.

Question. Are the names arranged on it in the same way?

Answer. I think likely they are so arranged.

Question. How long after the opening of the bids was it that you made out this abstract from the original paper?

Answer. I took the original abstract upon a rough sheet, and I copied this immediately, upon the same day.

Question. Then this paper was made out on the 26th day of September.

Answer. I think it was. It was made out the day the bids were opened.

Question. Was any person present at the time you made out that paper?

Answer. I do not think there was.

Question. Was any person present immediately before you commenced making it out?

Answer. I do not remember.

Question. How many hours elapsed, after closing the readings of the bids, before you made out this copy?

Answer. I made it out as soon after as I could. As soon as they went away I made the copy.

Question. Look upon the paper and see if there is recorded there a bid for 160,000 bushels of corn, at 36 cents per bushel, made by J. S. Wood and S. Holmes & Son?

Answer. There is.

Question. State whether those men, Wood, Holmes & Son, put in more than one bid that day.

Answer. I do not know.

Question. You would have known it if there had been more than one bid.

Answer. I think I should. They bid for all—hay, oats, and corn.

Question. All in one bid?

Answer. I cannot say. I merely know that I copied off the bids.

Question. State, from looking at that paper, whether there is an interlineation at the top of the list of names of the bidders for hay,

of the name of Holmes & Son, for 10,000 tons of hay, at \$17 95 per ton.

Answer. There is.

Question. If you copied off the original abstract which you made right away afterwards, how does it happen that you omitted that name, and afterwards interlined it? Is that interlineation in your own handwriting?

Answer. It is in my handwriting. I suppose I left out the name and put it in afterwards.

Question. Do you know that such was the fact?

Answer. I know that no one had anything to do with it except myself, and I know that it is all correct.

Question. Do you know when you inserted that name at the top of the list?

Answer. I do not remember anything about it.

Question. Can you state how long after you made out the list it was before you inserted the name of Holmes & Son?

Answer. I do not.

Question. Was it on the same day?

Answer. It was.

Question. Do you remember that?

Answer. I do.

Question. Have you any recollection of the circumstances under which the name of Holmes & Son was inserted?

Answer. I have not.

Question. Had any person an opportunity to examine those bids the same day and after the bids were opened; and if so, who?

Answer. I do not know. They ought not to have had, and would not have had, if I could help it. I do not suppose any one did, for I locked up the bids in my desk.

Question. Did you put them in your desk and lock them up before you made the copy of the abstract?

Answer. No, sir; I made out the abstract as soon as I could, and then put the papers in my desk when I went home at night. I think I went home about six o'clock.

Question. Did any person connected with your office, or otherwise, have hold of those papers after the bids were read off except yourself?

Answer. I could not say positively, for I do not know.

Question. Were you away from the office at all?

Answer. I think not.

Question. Did you hear the bid of Holmes & Son read off?

Answer. I did.

Question. Do you remember which was the first bid opened?

Answer. No, sir; though I am under the impression it was that of Holmes & Son.

Question. Do you remember that from what occurred at the time, or from what has been said upon the subject since?

Answer. I have not heard anything said about the matter since.

Question. Were there any interlineations in the bid of Holmes & Son?

Answer. I do not think there were.

Question. Were there any alterations made in that bid after it was filed in your office—in the bid made by S. Holmes & Son, or by J. S. Wood and S. Holmes & Son, whichever it was?

Answer. I think not.

Question. Are you certain no such alterations were made?

Answer. I do not think there were any.

Question. Where is the original bid now?

Answer. I suppose Mr. Clark has it. I gave it to him.

Question. Did he call your attention to the fact that the name of Holmes & Son was omitted from that list of bidders for hay?

Answer. I do not think he did.

Question. Did he suggest to you that you should arrange the names in the order in which they were arranged?

Answer. No, sir; I arranged it all myself.

Question. The clerk did nothing but read off the bids?

Answer. Nothing. He came there only a day or two before.

Question. How long did this young man you have mentioned, from Chicago, remain in the office that day?

Answer. I am not sure. I do not know. He was around there every little while.

Question. Did he remain around there until you had made out the abstract which you hold in your hand?

Answer. I do not know whether he did or not.

Question. You say, then, according to the best of your knowledge and belief, there were no alterations made in the proposal of Holmes & Son after their bid was filed in your office?

Answer. I do not know of any. I do not think there were. I do not see how any alterations could have been made.

Question. Was any made, to your knowledge?

Answer. No, sir.

Question. Did you understand from any source that any alteration had been made?

Answer. No, sir; their bid was for all the articles.

Question. In making out the list of bidders for corn you do not appear to have overlooked their name, but inserted it as Wood, Holmes & Son. Now how did it happen, if it did happen, that you overlooked it when making out the abstract of bidders for hay?

Answer. I do not know. The papers got mixed up in some way I suppose.

Question. Had Wood, Holmes & Son, or J. S. Wood and S. Holmes & Son, have more than one proposal, on different pieces of paper, in your department?

Answer. I do not remember. There was a file of bids, and I put them all away, or gave them to Mr. Clark. I do not think there was more than one, though there might have been two.

Question. If anything of that kind occurred it was without your knowledge?

Answer. Yes, sir.

Question. Was this young man from Chicago assisting you in the arrangement of the bids?

Answer. He was around there a little while the same morning.

Question. During the opening of the bids, and immediately afterwards, was he assisting you about your duties?

Answer. Yes, sir; a little I suppose. He was around there a good deal, and always assisted me more or less. Sometimes he would help me write my letters, but not often.

Question. Is this abstract all in your own handwriting?

Answer. No, sir; it is not.

Question. Then you did not make out all this list even as to the names?

Answer. No, sir. I see, upon examination of the paper more closely, that I did not.

Question. In what way did young Rutter assist you in arranging the bids?

Answer. He was around there, and occasionally told me how to put down the names. We had them all mixed up, and made out roughly.

Question. He was examining them, then, was he not?

Answer. I do not know that he was.

Question. If he did not examine them, how could he assist you?

Answer. He called off some of them.

Question. Then he had them in his hands?

Answer. He handed them to me from Mr. Clark occasionally, as he was right by my desk.

Question. And told you how to put them down?

Answer. Yes, sir; occasionally.

Question. After the bids were called off, did this young Rutter assist you in any way in arranging them?

Answer. No, sir; I attended to that alone.

Question. He remained in the office, did he not?

Answer. I do not like to say positively, because I do not remember. I think no one was in the office except myself and the porter.

Question. Were you also from Chicago?

Answer. No, sir; I am from New York.

Question. Do you know Holmes & Son?

Answer. I have seen them in the office.

Question. Where do they reside?

Answer. I do not know. I suppose they live here. I think I heard Holmes say this morning that he had an office on North Main street.

Question. Do you know J. S. Wood?

Answer. I do not.

Question. Where does he reside?

Answer. I do not know.

Question. What did you hear said in your office afterwards about some bid turning up, which was less than \$18 per ton.

Answer. Nothing.

Question. Was there not a man by the name of Smith who bid \$18 per ton?

Answer. I do not know.

Question. Was not that understood at the time to be the lowest bid?

Answer. I do not remember.

Question. What did you hear, if anything, about a bid having been discovered after the opening of the bids had closed, or about a bid which had been overlooked?

Answer. Nothing.

Question. Did you see anything of Clements about your office that day or the next?

Answer. I do not remember of seeing him.

Question. Did you tell him that a bid had been discovered after the bids were opened?

Answer. No, sir.

Question. Did you hear him tell in your office that \$18 was the lowest bid?

Answer. No, sir.

Question. Did anybody come there the day after the bids were opened and tell you that a bid had been filed at headquarter's at \$17 per ton?

Answer. No, sir.

Question. At what time after the bids were opened, to the best of your knowledge and belief, did Rutter leave your office?

Answer. I do not know.

Question. He is not employed in the office?

Answer. No, sir; he merely comes in occasionally.

Question. What is his business here in the city?

Answer. I do not know. He has plenty of money, and came on here just to stay for a while.

Question. Quite a young man, is he?

Answer. Yes, sir.

Question. Is he interested in any contracts?

Answer. Not that I know of.

Question. Did you understand from him that he had any contract?

Answer. No, sir.

Question. How long was it after the bidding that the contract was awarded to Wood, Holmes & Son?

Answer. I do not know. Within the next two or three days, I should think.

Question. Why was it not awarded to them at once, if theirs was the lowest bid?

Answer. I suppose we wanted to look over the papers. The captain is not generally in a very great hurry, and I suppose he thought there was time enough.

Question. Did you hear of bids being opened in any other office?

Answer. Yes, sir.

Question. In what office?

Answer. The office of the chief quartermaster, General McKinstry.

Question. What did you hear said about re-advertising, in consequence of the misunderstanding as to where the bids were to be filed?

Answer. I did not hear anything about it, to my recollection.

Question. Do you know R. M. Corwine?

Answer. No, sir.

Question. Did you hear him, or any other gentleman, speak of a lower bid having been filed at the office of Captain E. M. Davis, at General Frémont's headquarters?

Answer. No, sir.

Question. Had you any interest in any of those bids or contracts, either directly or remotely?

Answer. No, sir. I never have had.

Question. Do you know, of your own knowledge, or have you any reason to suppose, that there was any unfairness or fraud in the awarding of that contract?

Answer. No, sir; I think it was all done as fairly as anything could be. Everything appeared to go on straight, except that I did not do my work very neatly, and I had to make this copy from my original minutes.

Question. You say the interlineation I have referred to is in your own handwriting?

Answer. Yes, sir.

Question. Was it made at the dictation of any party or parties?

Answer. I do not know. I wrote it.

Question. You cannot remember the particular circumstances under which you wrote it?

Answer. I cannot.

Question. Was it done at the suggestion of Wood, or of Holmes, or of Holmes & Son?

Answer. I cannot remember.

Question. Would you remember if you had been spoken to upon the subject by any of those men?

Answer. I think I should.

Question. Do you know Mr. Wood, the man mentioned in that contract.

Answer. No, sir.

Question. Do you know Mr. Holmes?

Answer. I have seen him.

Question. Did you ever have any conversation with them, or either of them, in relation to this matter?

Answer. No, sir; not in relation to the contract.

Question. Did you have any conversation in relation to the bid or bids?

Answer. No, sir.

Question. Were Holmes & Son present at the time the bids were opened?

Answer. I believe Holmes was. I did not know him at that time.

Question. Did Wood, or Holmes, or Holmes & Son, have an opportunity of looking at either of the bids after they were opened?

Answer. I do not know that they had.

Question. Every bidder had the privilege of being present?

Answer. Yes, sir.

Question. Were a large number of the bidders present?

Answer. Yes, sir; there was a crowd in the office for a little while.

St. Louis, *October 29, 1861.*

THOMAS B. JOHNSON, being duly sworn, was examined as follows :

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am captain of the steamboat "New Sam Gatty."

Question. What do you know in relation to the employment of that steamboat by the government? With whom was the contract made, and at what price?

Answer. One day (the date I do not remember) Captain Abel came to me upon the levee and told me he wanted my boat for the government service ; he said he wanted her immediately ; no price was spoken of, and no terms were mentioned ; the government had her about 19 days ; I left the bill with my agent in blank for Captain Abel to sign ; it was made out at the rate \$1,500 a month for the use of the boat.

Question. With whom was the contract made?

Answer. All the contract there was was made with myself.

Question. Have you made a contract for your boat since?

Answer. No, sir ; no contract has been made except upon that occasion.

Question. Has there been any upon any occasion?

Answer. I had done service for the government before that.

Question. With whom was the contract made for that prior service?

Answer. With J. H. Bowen.

Question. What were the terms of that contract?

Answer. It was a contract to carry troops and supplies to St. Charles for \$500.

Question. Was that the only service the boat performed?

Answer. Yes, sir.

Question. For whom did Bowen act on that occasion?

Answer. He told me he had to go and see Captain Abel before he could close the contract.

Question. Did you give Captain Bowen any bonus?

Answer. I paid him \$100 for his agency.

Question. Was he your agent or the agent of the government?

Answer. He was not my agent at all.

Question. Then how came you to pay him \$100? Do you pay agents of the government.

Answer. It is not usual to pay agents of the government.

Question. How happened it in this instance?

Answer. I told him I wanted to get \$750 for the job ; he told me I could do it in one day ; I told him I could not make the trip in less than three days ; he told me that all that would be paid was \$500, and that there were several boats all eager to do it for that sum. He told me if I would take the job for \$500 and give him \$100 for his share he would give me the trip, otherwise not.

Question. I understand you to say he was not your agent?

Answer. He was not any more than that.

Question. He came to you as agent of the government?

Answer. I supposed so.

Question. Then you gave him \$100 for getting you a trip worth \$500?

Answer. Yes, sir.

Question. Did you really get only \$400 for your services?

Answer. That was all; \$100 went into the hands of Bowen.

Question. That \$100 came out of the hands of the government, did it not?

Answer. I suppose so.

Question. Would you not just as soon have done the work for the government for \$400 as to do it as you did and pay Bowen \$100 of your \$500?

Answer. I would if I could not have got any more. I looked upon it in this way: that if I did not give him \$100 I should not get the trip.

Question. Then you gave \$100 to an agent of the government for the purpose of getting a contract?

Answer. Yes, sir.

Question. As the government agent he gave you the trip to St. Charles for your giving him \$100?

Answer. Yes, sir.

Question. Did you ever have any conversation with Captain Abel about the matter?

Answer. No, sir.

Question. Have you collected your pay?

Answer. Bowen himself gave me the money.

Question. Did you sign a receipt to the government?

Answer. I receipted the bill to Bowen. He kept the bill, collected the money, and paid me \$400.

Question. Did you expose this transaction of Bowen?

Answer. No, sir. I told my partner, Captain Baldwin, that Bowen had charged \$100 for getting the trip for me.

Question. In what capacity was Bowen acting at that time?

Answer. I looked upon him as in the employ of the government.

Question. You made the contract with him, and with no other person?

Answer. With no other person. Before he consummated the contract he told me he must see Captain Abel. He went away, and returned in half an hour, and told me to get my boat ready as soon as I could.

Question. Did he go to see Captain Abel?

Answer. I do not know. He told me he did.

Question. Was he in the office of Captain Abel?

Answer. I do not know. I went up afterwards to see Captain Abel, and told him I could not get the boat ready as soon as I had promised. He said she must be got ready immediately. I told him it would take until 12 o'clock that night. He seemed displeased, and told me to get her ready as soon as I could.

Question. Did he at that time say anything about the price you were to be paid?

Answer. No, sir.

Question. Do you know of any other transactions of that kind in which Bowen was engaged?

Answer. None of my own knowledge.

Question. Did you ever hear of any?

Answer. No, sir.

Question. Did you consider that it was right for you to pay a government officer for giving you a contract?

Answer. It looked to me that if I did not give it I could not get the job, and I thought I could make a hundred dollars by giving him a hundred dollars. It would cost me about three hundred dollars to make the trip.

Answer. The upshot of the matter was, that the government was cheated out of a hundred dollars.

Answer. Yes, sir. If the government had jewed me down I would have taken the job for four hundred dollars.

Question. Is your boat in the employ of the government now?

Answer. No, sir.

Question. In what manner were supplies for the crew furnished?

Answer. I was not on the boat when she was in the government employ before.

Question. You have not been upon any vessel when in the government service?

Answer. Only upon that trip to St. Charles.

Question. Were your officers and crew then in the employ of the government?

Answer. They were not. I paid them.

Question. How long was the vessel in the employ of the government then?

Answer. From Friday night until Sunday night.

Question. By whose authority was Bowen acting in chartering a vessel for that length of time?

Answer. I do not know. I supposed he was sent up for that purpose by some person in authority over him?

Question. Did you tell Captain Abel, or Major McKinstry, or any other person connected with the transportation service, that you had paid Bowen that money?

Answer. No sir.

Question. What is a fair price upon these waters at this time for furnishing ration to men on board steamboats in the regular service?

Answer. I can judge of that matter only by my own contracts. I can make a trip of twelve days, and my store bill will amount to about \$160.

Question. How much per day?

Answer. It would average about \$13 per day. I think that is rather a high bill. I think the expense would not ordinarily be over \$10 or \$12 a day.

Question. How many hands?

Answer. I have a very large crew ; I have forty-five persons to feed.

Question. Then the cost per man would be about 30 cents per day?

Answer. Yes, sir ; not far from that. I suppose the government boats do not carry such a crew as I carry.

Question. Would 30 or 35 cents per day be the fair average cost of rations for the men upon those boats?

Answer. I suppose you could feed a crew for 35 cents per day easily. From 30 to 40 cents per day should be sufficient, as we live upon the river.

Question. If a captain is employed upon a boat at a salary of \$175 per month, and had to provide rations for the officers and crew of the boats, you think he could afford to do it for from 35 to 40 cents per day?

Answer. I suppose if he wanted only the actual amount of money laid out for that purpose, and no profits, he could do it.

Question. What he should get above 40 cents would be profit.

Answer. Yes sir.

Question. What do you know about persons who have been instrumental here in chartering vessels making arrangements with captains to furnish supplies and divide the profits?

Answer. I only know that the captains who are appointed to these boats furnish supplies for the boats at the rate of 60 cents a ration.

Question. Is there any difficulty at this time in employing vessels at this port at prices corresponding with the depressed condition of business upon the waters of the west?

Answer. None that I know of.

Question. Are there many vessels here out of employment?

Answer. A great many.

Question. There is no necessity, then, for the government to pay extravagant prices for chartering vessels, either in the way of profits upon rations supplied for the men, or in giving bonuses to parties.

Answer. I do not think there ought to be, for business is very stagnant now.

ST. LOUIS, *October 29, 1861.*

HENRY ALMSTEDT, being duly sworn, was examined as follows :

Question. State the rank you hold and your connexion with the public service.

Answer. I was connected with the first regiment which was organized here on the seventh of May last. The reserved corps of this city, consisting of 1,500 men, whom I recruited, were the first troops sworn in.

Question. What is your rank in the service?

Answer. Colonel of artillery and inspector of ordnance in the forts.

Question. How long have you held that appointment, and from whom?

Answer. I have held it since about the 18th day of September.

Question. From whom did you receive your commission?

Answer. I have not received a commission, but simply an order to organize a regiment of artillery in this city, and to act as inspector of the heavy ordnance of the different forts around the city of St. Louis now completed or in course of erection.

Question. From whom did you receive the order?

Answer. It was signed by Colonel Fiala, by order of General Frémont.

Question. State whether that order designated your rank in the service.

Answer. I commanded about a thousand men here at the time we had our political wide-awake clubs. I did a great deal of work and fought here and there, and wherever it was necessary to fight. When we saw how things were turning after the attack on Sumter, I proposed to Blair to raise a regiment for the purpose of defending our own firesides. I raised the first force that was sworn in here, and got arms first. I had a great deal of trouble and incurred great expense, as is known by everybody who is acquainted with affairs in the city. At the time I enlisted my men we were not aware that we should get any pay. After I had been in the service about four weeks, I went one day to General Lyon, an intimate friend of mine, and who was promoted with me in Mexico, and mentioned to him that I could not stand the drain upon me any longer; that it was too expensive. He said then we would be paid, and I kept on in the service until the 21st of August. About the 12th of August I received an order to reorganize the regiment, a regiment of infantry, and, if possible, to organize one company of cavalry and one of artillery. I had four companies mustered in, the dragoons mustered in, and the artillery were going to be mustered in. Besides that, I had 200 men ready to be sworn in, and I marched them down to the arsenal. To my surprise the recruiting officer there stopped me from having them sworn in, and mentioned to me that another commander had taken charge of my regiment. Therefore, I could not recruit any more. Blair told me to go on recruiting, and that if they did not go to one corps they would to another, as he needed the men. I sent those troops to other corps. I told Blair that my command had been taken away from me, and he advised me to let the men go where they were wanted, and I did so. I had stopped recruiting probably two days, when Blair advised me to go to Washington, in this State, and see what I could do there by way of recruiting. I did so, and was introduced to Inspector General Burch. He told me that the intention was to raise several batteries of light artillery, and that he wanted to see the governor about it. He wished me to make a calculation of what it would cost to get up the different batteries. I told him I would do so, and left for St. Louis. When I reached home I found that my wife had received an order for me to go to headquarters, on some important business with General Frémont. I opened the order, and it referred to a consultation about the forts. I went to see Colonel Fiala, and he asked me if I would not like to take command of heavy ordnance, and raise an artillery corps. I told him I had gone so far into military matters now that I could hardly do anything else, although I did not think they had treated me as

became officers and gentlemen. He assured me that that was not his fault, and that he had nothing to do with it, and asked me if I would be kind enough to come the next day. I went the next day, and he gave me an order from General Frémont to organize an artillery regiment. I went on with the work, and have now perhaps 1,600 men connected with the corps. I recruit according to the regulations of the army. I have one battery completed, with the exception of some forty horses. The second battery is complete, so far as the men are concerned. They are well drilled, but we have no horses and but two pieces, which are my own private property, but which I have given to the men to drill with. After I had got together three or four hundred men, I began to occupy the forts, and have now occupation of all the forts.

Question. This force of yours is now 1,600 strong.

Answer. Yes, sir.

Question. Do you hold your rank under this general authority to organize this artillery corps?

Answer. Yes, sir.

Question. Have you sent on your appointment to Washington for confirmation?

Answer. No, sir; I have not, because Colonel Blair told me that whenever he went on to Washington he would take it for me.

Question. Have you received any compensation?

Answer. No, sir; I have never received a cent for recruiting. I have been paid something in connexion with the reserved corps. As colonel of artillery I have never received a cent.

Question. How have your men been paid?

Answer. They were paid ten dollars down after they had served one and a half month, and on the 20th day of August they were paid the balance.

Question. Is the payment they have received the same as has been made to other troops?

Answer. Yes, sir.

Question. State whether the object of organizing this force is to command the forts, and also whether you are organizing any additional light artillery; and if so, how many.

Answer. When I organized the first regiment of infantry, it was proposed to have two light batteries in addition to the infantry. Nothing was said in those days about constructing forts. I was finally called to headquarters, and was directed to go on and raise two or three light artillery corps, if I could do it. I went on and recruited for them just as I did for the infantry and cavalry. I have now 450 light artillery, and 1,200 heavy artillery for manning the forts. The light artillery are to be sent away wherever they are needed, while the heavy are to command the forts.

Question. In what manner are the light artillery sworn in?

Answer. They are sworn in just like the infantry force, and not as a reserved force or home guard.

Question. Were they sworn into the service of the United States for the war?

Answer. Yes, sir.

Question. Were they subject to be marched anywhere?

Answer. Yes, sir; anywhere in the State.

Question. And out of the State?

Answer. No, sir; because they were sworn to serve in the State of Missouri.

Question. Then they were not sworn in under the general act of Congress?

Answer. No, sir; but they were sworn in under the regulations of the army.

Question. In what manner are the heavy artillerists, who are intended to occupy the forts, sworn into the service of the government?

Answer. They were sworn in to serve in the State of Missouri, and to protect the fortifications in and around the city of St. Louis; but in mustering they are sworn in just as soldiers in the regular army. The light batteries are to go anywhere, but the heavy artillery are to occupy these forts, and wherever they are sent in the State of Missouri.

Question. This body of heavy artillery are now occupying these various forts?

Answer. Yes, sir.

Question. Are all the forts mounted?

Answer. Not all of them.

Question. Are they all being mounted?

Answer. They are; we have the guns all ready for mounting.

Question. How many guns to each fort?

Answer. Every fort has from three to five guns, heavy and light, varying from 64-pounders to light guns.

Question. What number of this artillery force are mounted troops?

Answer. About 325 men, I think.

Question. How many horses are required for each corps of light artillery?

Answer. About one hundred.

Question. In what manner are those horses procured?

Answer. I cannot tell.

Question. What did those horses cost the government?

Answer. I understood that they cost \$90 apiece.

Question. Do you know who bought them for the government?

Answer. I do not.

Question. From whom did you understand that they cost \$90?

Answer. I do not remember; I think he was a furnisher of horses.

Question. Was his name Ellard?

Answer. No, sir; he said he had a contract for furnishing horses, and he said he was furnishing a good article for the price.

Question. Have all the equipments for the light artillery service been furnished by the quartermaster's department of this city?

Answer. Yes, sir.

Question. In equipping these forts with your heavy artillery, are you subject to the orders of General Curtis, as commander at this post, or are you subject to some other command?

Answer. I understood that I was subject to the orders of General Curtis.

Question. Then your forces are subject to his command?

Answer. Yes, sir.

Question. General Curtis, then, has control of these forts?

Answer. Yes, sir.

Question. And of the men in them through you?

Answer. Yes, sir.

Question. Would you comply with his order at any time as to the movement of these troops?

Answer. Yes, sir.

Question. What number of the reserved corps, as you call it, are in and about this city at this time?

Answer. I do not believe there are any except my regiment of 1,600 men.

Question. Have you any experience in building fortifications.

Answer. Very little.

Question. Do you know the manner in which the last five forts were constructed?

Answer. I understood they were given out on contract. Kappner told me that those he built cost \$10,000 each; I understood the last would cost about that.

Question. What is your judgment as to the probable cost of the forts constructed under the superintendence of Major Kappner?

Answer. I should suppose they would cost from ten to twelve thousand dollars each, on an average.

Question. Have you had any military service in Europe?

Answer. No, sir; I first entered the service in the United States. I was in the Mexican war.

Question. What position did you hold in the army?

Answer. I was brevet first lieutenant of infantry in the United States army.

Question. How long did you hold that position?

Answer. I was brevetted colonel. I joined the forces of General Scott at Puebla, and from there accompanied him to Mexico.

Question. Are all the officers and men of this reserved corps of German extraction?

Answer. The first regiment is composed entirely of Germans, but American citizens, and all its officers were Germans, because nobody else would join us. I have even lately been trying to get Americans to join that corps, but I cannot succeed.

Question. How is it with the light artillery?

Answer. It is the same thing. They are all citizens of the United States.

Question. Do these fortifications command the city?

Answer. They command the inlets into the city as well as the city itself.

Question. Then you say that while the thoroughfares into the city are commanded by these guns, the city also is under the fire of the guns?

Answer. Yes, sir.

St. LOUIS, *October 29, 1861.*

CHAUNCEY MCKEEVER recalled :

Question. What is the character of the reserve corps organized by Colonel Almstedt, composed at this time of 1,600 men, including heavy and light artillery ; are they subject to the military control of the commander at this post ?

Answer. As I understand it, this reserved corps are liable to be ordered anywhere in the State of Missouri, but not out of it. I have seen a long letter from the general, stating his views of this question, and giving authority to certain persons to raise reserved corps. They were to be sworn in for the war, but not liable to be called out of the State of Missouri. Some of them are now in the field.

Question. Are they being organized under an act of Congress, or are they being organized under a law of the State of Missouri ?

Answer. I presume under an act of Congress.

Question. Is it understood by General Frémont that there is an act of Congress authorizing the organization of a volunteer force that are only subject to military duty within the limits of any given State ?

Answer. No, sir ; and there is an order here from the Secretary of War, ordering a company of home guards at Carondolet to be mustered in from the date of their enrolment into the general service.

Question. Then, according to the views of the Secretary of War, these forces are to be mustered into the service upon the same footing as other volunteer forces ?

Answer. Yes, sir.

Question. Are the artillery forces, organized for the purpose of occupying these forts, subject to the control of the commander of this post, he being, at this time, General Curtis ?

Answer. I think not. A letter I saw from the General places them under the control of Colonel Fiala, a member of his staff, and in the same order it was stated that he was in charge of the General's headquarters. I do not understand exactly Colonel Fiala's position in the matter.

Question. Where is he at this time ?

Answer. I presume at the General's house, at headquarters.

Question. In this city ?

Answer. Yes, sir.

Question. Has he been here all the time ?

Answer. Yes, sir ; he issues orders to this reserved corps regiment.

Question. You understand, then, that Colonel Fiala has not only command of the headquarters of General Frémont in this city, but also of this reserved corps, including the officers occupying these forts, and that reports are made to him by the officers of that reserved corps ?

Answer. Yes, sir.

Question. Was the letter which to you referred addressed to Colonel Fiala ?

Answer. I believe it was. I was furnished with a copy of it.

Question. It was a letter affecting the public service?

Answer. Yes, sir. It has gone upon the record books.

Question. Will you furnish a copy of that letter?

Answer. I will.

(The following is a copy of the letter as subsequently furnished by the witness:)

HEADQUARTERS WESTERN DEPARTMENT,

St. Louis, September 25, 1861.

SIR: I am instructed by Major General Frémont to inform you that whilst he is absent in the field you are intrusted with the charge of his headquarters in St. Louis. All communications, reports and telegraphic despatches addressed to him or to the assistant adjutant general, Captain McKeever, will be referred to you; that such as are of an important character may be forwarded to him without delay, either by special orderlies, locomotives, or otherwise, as may be thought most expeditious or reliable.

Should it become necessary to throw re-enforcements from this city into the commands of Generals Smith or Grant, you will report the fact to me at once; but if the necessity of immediate re-enforcements is urgent, admitting of no delay, you will confer with Captain McKeever, assistant adjutant general, who will be instructed to issue the necessary orders in my name, and, upon your recommendation, to call upon General Curtis for such troops as may be necessary.

You will pay particular attention during my absence to the reorganization of the two incomplete regiments United States reserve corps; to the organization of the special reserve now in course of formation, and that of the artillery and cavalry of the United States reserve corps.

You will also, in concert with General Curtis, commanding St. Louis, direct the work on the fortifications placed under the command of Major Kappner, and will attend to the arming and equipping of troops, for which latter purpose Captain Callendar and Assistant Quartermaster Captain Davis will be instructed to fill your requisitions.

Written daily reports are to be transmitted by you to the headquarters of the commanding general.

Very respectfully, your obedient servant,

J. H. EATON,

Colonel and Military Secretary.

Colonel JOHN T. FIALA,

Chief of Engineers and Brigade Inspector,

United States Reserve Corps.

Official.

CHAUNCEY MCKEEVER,

Assistant Adjutant General.

Question. As a military man, I ask you whether the command of these forts, being within the limits of the post of which General Curtis is commander, would be subject to his military control?

Answer. I think that the order of General Frémont, placing General Curtis in command of troops in St. Louis and vicinity, gives him control of every soldier in this city. Of course there are exceptions, as for instance, officers upon the general recruiting service are not subject to the orders of any one, except the War Department.

Question. Who is Colonel Fiala?

Answer. He is announced in general orders as first topographical engineer upon the General's staff.

Question. Are the officers of the artillery service here, both light and heavy, all Germans?

Answer. Many of those regiments I have never seen; I have seen one or two officers who look like Americans; I think the great majority of them are foreigners.

Question. What are the military or other reasons for excepting Colonel Fiala from the command of General Curtis?

Answer. I do not know that there is any. It seems to me an anomaly that Colonel Fiala should command this reserved corps and not be under the control of General Curtis. It is not necessary that Colonel Fiala himself should be subject to General Curtis's orders, as he belongs to the staff of General Frémont.

Question. What is the reason for his remaining here for this kind of duty, and yet not be subject to General Curtis's command?

Answer. I presume it was because the General had confidence in this man, and in order to get a correct account of what was going on.

Question. Is not the commanding General a man with whom such correspondence should take place legitimately?

Answer. That is generally the case; it is very evident to me that it has arisen from a want of confidence in General Curtis.

Question. Who placed him in command here?

Answer. General Frémont.

Question. Would he be likely to place a man in command here in whom he had no confidence?

Answer. There was a scarcity of brigadier generals.

Question. Do you know whether General Jefferson C. Davis is a brigadier under the appointment of the President of the United States, or under the appointment of General Frémont?

Answer. I do not know positively; I know he was appointed acting brigadier general by Frémont some time ago, but whether he has received a commission from the President since that time I do not know.

Question. State whether any acts of his coming under your observation, in connexion with the duties assigned him, have been such as to make it necessary for you to make a report upon them.

Answer. They have. Colonel Davis has greatly exceeded his powers as an officer in command of a brigade; he has granted leave of absence to officers for 30 and 40 days when the regulations do not allow more than seven; he has given free passes to persons who were

not entitled to them, and to soldiers and officers going home on leave of absence which is not customary, and not allowed that I know of; he has granted furloughs to men promising, as they stated, that they would be discharged at the expiration of the furlough—a thing which is forbidden by the army regulations.

Question. State how he has conducted himself towards his men and the sick under his command.

Answer. I have been informed by persons coming from Otterville that he has treated the sick with great cruelty; that he said he did not care for them a damn. I was told that by a citizen who went up there himself to bring down a sick son. Mr. Rose, from Indiana, came to me to see about the matter, and said he had heard the same thing, and I gave him a pass up to investigate the matter and bring the sick down; Rose went up to investigate it, and tried to do something for the sick. I have ordered an assistant surgeon there to take care of the sick, and to bring them down where they could be better taken care of.

Question. State whether you have had occasion to state any of these facts to any officer of the government.

Answer. Yes, sir; I wrote a letter to Colonel Eaton, the assistant acting adjutant general on Frémont's staff, asking him to call the General's attention to Colonel Davis's behavior.

Question. You have stated that one matter of complaint against General Davis was, that he had given passes to persons at the government expense, over railroads, which he had no right to do. Who has the right to give such passes, or to fit out extra trains for any person or persons? Is it customary for any quartermaster to give transportation over railroads to any officer commanding a brigade? Has Castle any right to fit out extra trains to carry any persons without an order to do so, and have you given him any such order?

Answer. I have never given him any order, except once. I did tell him that the Secretary of War wanted to go up at one o'clock, on a certain day, and, of course, I gave him an order.

Question. Look at this contract purporting to be drawn up by Major McKinstry, quartermaster, acting by and under the special order and direction of Major General J. C. Frémont and E. L. Beard for building fortifications. State, from your knowledge of military matters, where such a contract as that should be drawn up.

Answer. I should suppose it should be drawn up by the engineer corps in Washington. That is the only department I know of which is authorized to erect fortifications. The fortifications around Washington are erected by persons appointed by the engineer bureau, and paid by them. The money comes out of appropriations by Congress made for that specific purpose. I never heard of the quartermaster's department having anything to do with fortifications anywhere. At the west I have known them to erect block-houses, and such things, but not fortifications of this style.

Question. Then what is your judgment as to whether the contract which has been referred to was regularly or irregularly entered into?

Answer. Under the laws of Congress, I should think it was irregularly entered into.

Question. Do you think the quartermaster would have any right to pay for these fortifications out of funds appropriated for his department.

Answer. I think not; I understood General Meigs to tell me, when he was here, that he had no such right.

St. Louis, *October 29, 1861.*

JOSEPH B. REED, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a manufacturer of machinery.

Question. What is the name of your firm?

Answer. Reed & Mann.

Question. What contract have you with the government?

Answer. We have a contract for building the machinery of the eight boats now being built here by Mr. Adams.

Question. About what time was your contract entered into?

Answer. In the first place, we had a contract for four; that was sixty days ago. After those were started and partly finished, they contracted for four more.

Question. With whom was the contract made?

Answer. The first contract was made with Haskell, and the other, on behalf of the government, by direction of Major General Frémont. Frémont saw the contract and approved it, and directed McKinstry to carry it out.

Question. State the terms of the first contract entered into for building the machinery for the first four boats.

Answer. The first four were to be built for \$4,500 each, put into the boats, steam put on, and tried.

Question. What was to be the character of the engines?

Answer. They were to be 16-inch cylinder, 18-inch stroke, &c.

Question. A single boiler?

Answer. Yes, sir.

Question. State the number of flues in each boiler?

Answer. That was controlled by a boiler which they furnished for a criterion from the steamer Samson. We were to give them boilers which would give the same amount of power. The boilers were to be placed lower in the hold than that in the Samson.

Question. Was the machinery for the last four boats to be of the same character as the first, and built upon the same terms?

Answer. No, sir. They were to have 20 per cent. more power.

Question. At what price were the engines to be completed and put in the boats for use?

Answer. For \$5,500 for each boat.

Question. Within what time were the first four to be completed?

Answer. Within thirty days, provided the hulls were ready to receive the machinery, and a certain number of days before that time.

Question. When were the last four to be finished?

Answer. Within thirty days, provided the hulls were finished.

Question. In either instance were the hulls ready?

Answer. They were not.

Question. Are you ready to complete your contract as soon as the hulls are completed?

Answer. We are ready. We are putting in the machinery into four of them, and we have the machinery in the four others already.

Question. Who are interested with you in these contracts?

Answer. Nobody, except my partner.

Question. Had Mr. Palmer any connexion with these contracts?

Answer. No, sir.

Question. What amount has been paid you upon the contracts for this machinery?

Answer. I believe there has been paid \$11,000 on the eight engines.

Question. In what funds?

Answer. In Missouri funds.

Question. How happened it that you were paid in Missouri funds?

Answer. Because, I suppose, they had nothing else to pay with. I understood the officers here borrowed this money from the banks with the intention of returning it in treasury notes.

Question. How long since this \$11,000 was paid, and in what amounts?

Answer. The first payment was \$2,000 on signing the contract; the second payment, \$4,000, was to be paid in ten days from that time, but we did not get it until three or four days after that time. The other payment of \$5,000 was paid on the last four engines, and there is still \$4,000 due us on the first four.

Question. From whom did you learn that the order for the payment of the \$5,000 had been received by the quartermaster?

Answer. We took the contract, and Major Allen paid us the \$5,000 since he came here.

Question. Is the price at which you are building the machinery a fair price?

Answer. No, sir; not for the first four. Upon the last four we may make a very little. If we had known what we should have to contend with in getting our pay, we would not have taken the contract at all.

Question. Would you build them for the government as cheaply as for private individuals?

Answer. We are doing it.

Question. Have you sold any vessels to the government?

Answer. We have sold them two—the tug-boat Colonel Stevens and the tug-boat Worden.

Question. When?

Answer. I think the Colonel Stevens was sold sixty or sixty-five days ago—about the time these contracts were entered into. I think the Worden was not delivered until two or three weeks after that.

Question. At what prices, and where were they built?

Answer. One was sold for \$7,000, and was built upon the lakes, and the other was sold for \$4,000.

Question. How long had you owned them?

Answer. We bought them on purpose for the government.

Question. From whom?

Answer. One from Bell & Robinson, parties here in town, and the other was purchased by my partner, but from whom I do not know.

Question. At what prices?

Answer. The small one at \$3,500, and the other for about \$6,000.

Question. You say you bought them for the government?

Answer. We had instructions to buy them for the government, if we could, at certain prices. It was understood that the government would pay so much for them.

Question. With whom did you make that contract?

Answer. There was no contract, strictly speaking. I saw the letter from Gen. Frémont to Haskell, instructing him to go up to the lakes and buy six or eight such boats. We told him that would never answer, because those lake boats drew too much water for this river, and it was represented that they could be built here at about the same cost, and would be better adapted to the service.

Question. What interest had Haskell in the purchase?

Answer. None.

Question. What commission did he receive?

Answer. None.

Question. Did any person participate with your firm in the profits of the sale?

Answer. No, sir.

Question. Then Haskell had nothing to do except to contract with you for the purchase?

Answer. That is all.

Question. Did he receive any of the proceeds, either directly or indirectly?

Answer. No, sir.

Question. If you purchased the vessels by his order, why did you not purchase and charge the ordinary commission?

Answer. We represented that we could furnish the vessels to the government, one for so much, and the other for so much, naming the prices, and Haskell ordered us to purchase them. As we were in the business we could buy them on better terms than any one else.

Question. You sold the steamer Samson to the government. At what price?

Answer. We sold her to Mr. Gartside, and he sold her to the government.

Question. Who is Gartside?

Answer. He is a coal merchant, who supplies the government with coal. He also supplies coal for nearly all the packets which run out of this port.

Question. How long did you sell to him before he sold to the government?

Answer. The papers were only closed up on Saturday, and he sold her to the government on Monday morning.

Question. Were you aware that he proposed to sell to the government when you sold to him?

Answer. No, sir; nor did he expect to sell her to the government.

Question. Did any person participate with you, or with him, in the profits of that sale?

Answer. Not with us. I know nothing about his affairs.

Question. Through whom did he sell to the government?

Answer. I think through Haskell, under his instructions to buy six vessels.

Question. What connexion has Palmer had with any of these transactions?

Answer. None that I know of.

Question. What means had he of knowing of your receiving certain payments from the government?

Answer. None, unless in connexion with Haskell.

Question. Did Beard, Haskell, and Palmer seem to be acting together?

Answer. I do not know.

Question. Do you know any government contract in which Beard & Palmer are interested?

Answer. I do not.

ST. LOUIS, *October 29, 1861.*

PATRICK YOUR, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a steamboat man.

Question. Captain of what boat?

Answer. I was captain of the Emma.

Question. Were you the owner in part of the Emma?

Answer. I was not.

Question. State what you know in relation to that boat being chartered to the government; by whom any proposition was made to you about chartering her; the nature of that proposition; and if anything was demanded of you as a bonus, state by whom, and how much.

Answer. The first proposition was made by Bowen.

Question. For whom did he profess or pretend to be acting?

Answer. I did not ask him that question; but he told me he wanted the boat to go down the Missouri river.

Question. For government purposes?

Answer. Yes, sir.

Question. Then he was acting for the government?

Answer. I cannot say.

Question. He wanted the boat for government purposes?

Answer. So I understood.

Question. Where was it to go to?

Answer. I think it was to go down the river at the time that General Frémont made his demonstration down to Cairo. Bowen asked me if he could get the Emma ; I told him I was not the owner of the boat, but was only running her for my brother, and that I would see my brother about it ; he then told me he wanted five boats to go to Cairo for General Frémont ; that he wanted my boat, and that I must allow him \$150 a month.

Question. What did he propose to pay for the use of the Emma ?

Answer. \$1,500 a month.

Question. Did he offer \$1,500 for her himself or as agent of the government ?

Answer. I think for the government.

Question. Did not everything in his conversation imply that he was acting for the government ?

Answer. Yes, sir.

Question. He demanded, if he gave you a contract for the boat, that you should allow him \$150 a month each month the government kept the boat ?

Answer. Yes, sir.

Question. What else took place ?

Answer. He went off and did not come back again.

Question. What did you tell him ?

Answer. I told him I would not do it.

Question. Was your boat chartered at that time ?

Answer. No, sir.

Question. Was he chartering other boats ?

Answer. I do not know ; he told me he was.

Question. Do you know that he was afterwards acting for the government in chartering boats ?

Answer. I saw him around boats a good deal, but I do not know whether he was a government agent or not ; I understood he was.

Question. Do you know of any other parties paying him for chartering their boats ?

Answer. No, sir.

Question. What did he say about it ?

Answer. He said other parties were doing that.

Question. Were giving him money for chartering their boats ?

Answer. Yes, sir.

Question. How many did he say he had chartered ?

Answer. He said he had chartered four or five boats upon those terms.

Question. What Bowen was this ?

Answer. J. H. Bowen.

Question. Do you know anything else about any contracts ?

Answer. No, sir.

Question. Your boat was subsequently chartered ?

Answer. Yes, sir.

Question. While the Emma was in the service of the government

were you, as captain of the vessel, supplying the whole crew for the government?

Answer. We furnished everything for \$200 a day.

Question. She was not employed long?

Answer. No, sir.

Question. What number of days?

Answer. Nineteen or twenty.

Question. What would be a fair price for supplying the men on board of boats upon these waters with rations?

Answer. I should suppose, within the last two months, from 50 to 60 cents per day.

Question. Could they not be furnished cheaper than that?

Answer. I think not.

Question. You never have been in the service of the government as captain where the government was paying all expenses?

Answer. No, sir.

Question. Is there any difficulty at this time at this port in the government chartering vessels upon terms corresponding with the commercial depression on these waters?

Answer. I should think not.

Question. Are there not many vessels unemployed?

Answer. A great many; there are a great many secessionists among the steamboat men.

Question. What proportion of the captains, engineers, and pilots in the employ of the government sympathize with the south?

Answer. I cannot say; there has been a great change lately.

Question. Could the government get loyal men now?

Answer. I think now there would be no trouble in doing so.

ST. LOUIS, *October 29, 1861.*

ROBERT ALLEN, being duly sworn, was examined as follows:

Question. State your official position.

Answer. I am chief quartermaster of the western department, and have my office in this city.

Question. What are your duties as such quartermaster?

Answer. It is my duty to disburse the public money pertaining to the quartermaster's department within this district.

Question. Have you disbursed any moneys in your hands for purposes not connected with the quartermaster's department?

Answer. I have disbursed very little anyhow, not having had funds; but I have received orders to disburse moneys which I considered irregular and outside of my department—such as appropriating money to the building of those fortifications.

Question. From whom have you had such orders?

Answer. From General Frémont.

Question. Can you produce such orders as you speak of, or any other orders which you deem necessary the committee should have in their investigations?

Answer. I can furnish those documents upon the mandate of the committee.

Question. In addition to the order to which you have referred, have you received any instructions from other departments of the government as to whether those orders are to be recognized or not?

Answer. I received verbal instruction from the Secretary of War not to pay any money on account of those fortifications.

Question. At what time was that?

Answer. I do not remember the date. It was when the Secretary of War was here, and the day he left. I think it was Monday, the 14th of October.

Question. What has transpired since?

Answer. Subsequently I received an order from General Frémont to turn over some \$60,000 to Mr. Beard on account of those fortifications. The order of the Secretary of War to me was not to turn over the money. There were two objections to it. In the first place, he considered the expenditure illegal; and second, that no agent of the government other than the quartermaster was authorized to dispose of the money of the quartermaster's department. The order of General Frémont is not to pay his bills, but to turn the money over to him to do it himself, so that I would have no knowledge of his accounts. But, as I have no funds, it is a question yet for me to decide whether I will obey the order of General Frémont or the order of the Secretary of War.

Question. After your predecessor, Major McKinstry, left here, a requisition was made upon Beard or Palmer to furnish certain quantities of forage, to be forwarded to Jefferson City, and we are not aware whether any order has been made upon you for the payment of the price of the articles so furnished.

Answer. There has never any account been rendered to me, but Beard called upon me to-day, saying that he had a large amount of grain on hand which had been ordered by McKinstry, and he claimed the right, under the contract, to deliver the grain to the government. As there was more of it than was wanted at Jefferson City, and as it turned out that the contractor here to deliver grain under the Meigs contract had failed for want of funds to deliver oats, I told him if he could deliver the oats at the same price I was paying other contractors, thirty cents per bushel, he might deliver them. He had claimed the right to deliver them under the contract at thirty-three cents per bushel.

Question. Have you had any recent instructions from your superior officer in regard to the disbursement of funds in your department?

Answer. Yes, sir.

Question. Will you produce it to the committee?

Answer. I present you the order of the quartermaster general, dated Washington, October 25, 1861, as follows:

QUARTERMASTER GENERAL'S OFFICE,

Washington City, October 25, 1861.

MAJOR : The Secretary of War directs that you be guided by his published order in regard to disbursements and contracts in the western department, and that any orders inconsistent therewith be disregarded.

I enclose a copy of the order of the Secretary.

By order of the Secretary of War.

M. C. MEIGS,

Quartermaster General.

Major R. ALLEN,

Quartermaster, St. Louis, Mo.

A true copy.

ROBT. ALLEN,

Major and Quartermaster.

The copy of the order enclosed therein is as follows :

ST. LOUIS, Mo., *October 14, 1861.*

GENERAL : The Secretary of War directs me to communicate the following as his instructions for your government :

In view of the heavy sums due, especially in the quartermaster's department in this city, amounting to some \$4,500,000, it is important that the money which may now be in the hands of the disbursing officers, or be received by them, be applied to the current expenses of your army in Missouri, and these debts to remain unpaid until they can be properly examined and sent to Washington for settlement ; the disbursing officers of the army to disburse the funds, and not transfer them to irresponsible agents ; in other words, those who do not hold commissions from the President and are not under bonds. All contracts necessary to be made to be made by the disbursing officers. The senior quartermaster here has been verbally instructed by the Secretary as above.

It is deemed unnecessary to erect field-works around this city, and you will direct their discontinuance ; also those, if any, in course of construction at Jefferson City. In this connexion, it is seen that a number of commissions have been given by you. No payments will be made to such officers, except to those whose appointments have been approved by the President. This, of course, does not apply to the officers with volunteer troops. Col. Andrews has been verbally so instructed by the Secretary ; also, not to mail transfers of funds, except for the purpose of paying the troops.

The erection of barracks near your quarters in this city to be at once discontinued.

The Secretary has been informed that the troops of General Lane's command are committing depredations on our friends in Western Missouri. Your attention is directed to this, in the expectation that you will apply the corrective.

Major Allen desires the services of Captain Turnley for a short

time, and the Secretary hopes you may find it proper to accede thereto.

I have the honor to be, very respectfully, your obedient servant,
L. THOMAS,
Adjutant General.

Major General J. C. FRÉMONT,
Commanding Department of the West, Tipton, Mo.

Question. Have you had any further instructions from General Meigs than what you have already testified to?

Answer. None, except those which came verbally to me by my messenger.

Question. What were those instructions?

Answer. He said that in reference to these extravagant requisitions he expected me to exercise my own judgment and curtail them as much as was in my power, and that any action I should take would be sustained by the whole cabinet.

Question. What knowledge, if any, have you in relation to the contract for erecting those fortifications?

Answer. I have never seen the contract, and know nothing about its terms.

Question. Have you, as quartermaster, ever estimated for doing such kind of work?

Answer. No, sir.

Question. Are you a judge of the value and cost of such kind of work?

Answer. No, sir.

Question. Under whose direction should contracts for fortifications be made, and out of what fund should the cost of their erection be paid?

Answer. Fortifications should be constructed under the direction of the engineer officers of the United States army, and should be paid for out of funds appropriated for the use of the ordnance department.

Question. Whose duty would it be to contract for the erection of fortifications, and to draw up the contract to be executed by the parties?

Answer. The duty of the engineer officers of the engineer department.

Question. Would it, or would it not, be irregular to pay for such work otherwise than out of funds appropriated by Congress for that specific purpose?

Answer. It would be irregular, and contrary to law. To pay it out of funds of my department would be both irregular and illegal.

Question. How long have you been in the quartermaster's department at St. Louis?

Answer. Since the 4th of this month.

Question. Who was your predecessor?

Answer. Major McKinstry.

Question. Have you been settling and adjusting the contracts entered into by your predecessor?

Answer. No, sir. I have not had funds for that purpose, but a great many vouchers have been presented to me for examination.

Question. Have you passed those vouchers so that you would pay them if you had funds, or have you declined accepting them?

Answer. I have declined accepting in some instances.

Question. Have you examined into the affairs of your department, as they came into your hands, since you have been in the office?

Answer. Yes, sir.

Question. Upon what ground have you declined to make those settlements in the instances where you have declined?

Answer. On account of the extravagance of price, and because I did not know whether the prices were correct or not.

Question. Were the accounts certified to be correct and just by your predecessor?

Answer. Yes, sir. I would remark that Captain Bradshaw, whose business it was to receive the animals purchased, is a volunteer quartermaster, and has had but little experience, and he imagined, until I came here, that he was obliged to sign the printed certificates to the bills, which read, in substance, "I certify, upon honor, that the above account is correct and just, and that the animals have been received by me and accounted for upon my returns, &c." The first step I took when I came here was to instruct the captain not to sign any such certificates which he did not know to be correct and just, and to strike out from the printed form the words "correct and just." I have no doubt he signed vouchers before that which he did not think were right, though I believe him to be a thoroughly honest man, so far as I have been able to judge.

Question. Were those the only accounts signed by your predecessor which you declined to settle without knowing further about them?

Answer. There are other accounts which I did not decide upon, and could not make any answer in regard to. Many accounts presented to me, which I was not able to determine upon at the moment, I would pass off by saying I did not know about them.

Question. By whom were such other accounts certified to be correct and just?

Answer. By Major McKinstry.

Question. What was there in those accounts which, upon the brief examination you made at the time, caused you to delay action thereon?

Answer. I think the prices were probably too high.

Question. Have you examined into the books and records of your department in order to satisfy yourself what prices had been paid before you came into the department?

Answer. I have no records to examine except the vouchers which have been presented to me.

Question. Is not a voucher a record, and are not duplicates of all vouchers kept in the office?

Answer. They are all the property of the preceding quartermaster. I have no authority over his books or papers.

Question. Do I understand you to say that those books and papers

are the property of the quartermaster, and not public records, belonging to the office?

Answer. They do not belong to the office, but to the quartermaster himself.

Question. Can the quartermaster take away from the office all the evidence of matters in which the government is interested?

Answer. Yes, sir; all except the correspondence; and it is even voluntary upon his part if he does not take that with him. In taking possession of this office there was not a book or paper which gave me any information whatever. I know the prices which have been paid by the floating vouchers which are presented to me.

Question. Under whose control, if you know, are those books and vouchers, which you consider the private property of and under the individual control of Major McKinstry?

Answer. I do not know under whose control they are now. I presume they are in the possession of his chief clerk—Mr. Clements.

Question. Is Clements chief clerk in your department?

Answer. He is still Major McKinstry's clerk, and is settling up his accounts. I presume he is still clerk; I do not know that he has been discharged.

Question. Do you consider him under you?

Answer. I do not. He was under me at first. Not having the run of business, I kept him with me a week or ten days. Afterwards McKinstry wrote down to him, requiring him to write up his accounts, and he has been engaged upon them since, and I presume he is in the government employ, entitled to pay, under McKinstry.

Question. Can you state whether he has the control of all those vouchers, accounts, and records?

Answer. I presume they are in his possession.

Question. But you do not consider that you have any right to them or control over them.

Answer. I have no authority over them whatever as belonging to the quartermaster's department. He renders his accounts directly to Washington, and the duplicate papers are his own property.

Question. How is it as to his order books, invoice books, and cash book?

Answer. They are all his own property. I have no authority to examine them at all, unless I was ordered so to do.

Question. Have you examined any of those papers and books, except in the manner stated?

Answer. No, sir.

Question. You cannot state what the condition of those books is.

Answer. No, sir.

Question. Do you know who is McKinstry's bookkeeper?

Answer. I know none of his clerks except Clements.

Question. You have none of them under you at the present time.

Answer. Yes, sir; I have—or rather Captain Turnley has. When I first came here I adopted the whole of his military family in the office, but since that I have been replacing them. I consider that I

have but two clerks now—a clerk proper and a cashier. The others are in the employ of Captain Turnley.

Question. Is his department separate and apart from yours?

Answer. I consider him subordinate to me. I have not yet arranged definitely as to clerks. I have not been prepared to make changes until the end of the month, when I could start afresh. I have not yet arranged with Captain Turnley how many clerks he will require, or how many will remain upon my rolls.

Question. As a quartermaster of long service in the army, what has been your practice in relation to furnishing supplies needed by your department? Do you generally advertise for proposals, or do you purchase supplies in the open market?

Answer. Under the army regulations the quartermaster can exercise a good deal of discretion upon that subject. For all permanent supplies the army regulations require that we shall advertise, particularly in time of peace. In time of war, when the army is in the field, and supplies are wanted from day to day, it may be impracticable to advertise.

Question. How would it be in regard to clothing?

Answer. Clothing could have been purchased, if they had commenced in time, under contract. But if it was neglected until clothing was actually demanded, they would be bound to purchase wherever they could find it. If the business had been commenced aright in the outset, all the purchases could have been made by contracts under advertisement.

Question. As far back as the first or second of September could contracts for army overcoats have been made under advertisement?

Answer. I am not able to say. My impression, however, is, that they might have been obtained under advertisement.

Question. If on the first of September you had wanted army overcoats to the amount of thirty thousand, what course should you have deemed it your duty to pursue to obtain them, regarding the interest of the government, and looking to the proper supply of the soldiers?

Answer. That would depend upon how long a time would elapse before the overcoats would be needed. If on the first of September I had come here, and overcoats to the amount of thirty thousand had been wanted by the tenth of September, I would have been compelled to purchase them wherever I could find them in the different cities of New York, Boston, and Philadelphia.

Question. Suppose they had not been needed until the 1st of October?

Answer. Then they might have been obtained under advertisement.

Question. Would the Missouri troops stand in pressing need of overcoats until the 1st of October?

Answer. If we are to judge by the clamor of the soldiers for them, they would be.

Question. Would not that fact have been known two months ago as well as now?

Answer. Of course it ought to have been anticipated.

Question. Look at this order upon E. W. Fox for 30,000 overcoats. (See order in Mr. Clements's testimony.) Is that the ordinary way of making requisitions for articles of that kind?

Answer. No, sir.

Question. In what does it differ from the ordinary form?

Answer. Some specific sum ought to have been mentioned.

Question. What do you understand is meant by the expression, "allow a fair mercantile profit to the contractor?"

Answer. That is a new phrase to me altogether in official papers.

Question. Do you know how that mercantile profit has been arrived at in the settlement of such accounts at the quartermaster's department?

Answer. I do not know.

Question. Do you know that requisitions of that character, amounting in the aggregate to immense sums, have been issued?

Answer. I do not know whether they have in that language.

Question. In substance?

Answer. I have not seen the orders.

Question. Have you settled any accounts presented by contractors for articles purchased under such a requisition as that?

Answer. I have not.

Question. How would you propose to settle such an account?

Answer. That is a subject I have not considered. Certainly I would not allow him to make his own terms.

Question. Do you not know that large amounts of money have been paid by the quartermaster's department to contractors who have fixed their own prices to the articles furnished?

Answer. I do not know anything about it.

Question. What would have been a fair commission to allow to a man for purchasing the articles which have been required for the quartermaster's department here?

Answer. I have never purchased by commission, and have never recognized anything in the form of commissions in a purchase. That is an unusual way of doing official business in the quartermaster's department. Had I been purchasing property here, I would have gone around to all the stores in town and compared prices, and bought from those original holders who would have sold at the lowest prices.

Question. If a man had been ordered to furnish articles to the government on a promise that he should be allowed a fair mercantile profit, what do you think would have been a fair mercantile profit to allow, taking into consideration the cost of the article and the cost of transportation?

Answer. That would depend upon whether cash was paid upon delivery of the goods. If cash were paid upon delivery, I think $2\frac{1}{2}$ per cent. would have been a fair commission. But I have never dealt in that way.

Question. Why have you never dealt in that way?

Answer. I did not consider that mode of proceeding as recognized by the army regulations.

Question. Do you state, then, that such a mode of proceeding is in violation of the army regulations?

Answer. I should say it was.

Question. And prejudicial to the public interest?

Answer. I think it would tend to that if the system was generally adopted.

Question. What would be a fair commission upon purchases to the amount of \$820,000 by one house?

Answer. That is a question I cannot answer, as I have never had any experience in that kind of dealing.

Question. Suppose these transactions were extended over a period of four or five months, and payment is made in the ordinary manner in which the government makes payments for supplies furnished, would not 25 per cent. be wholly inadmissible?

Answer. I think 10 per cent. would be very extravagant.

Question. Can you approximate to the amount due now by the quartermaster's department in this city?

Answer. I think an estimate was made when the Secretary of War was here, and that it is stated in that printed order which I have exhibited at \$4,500,000. But I have had no means of judging.

Question. How has that order of the Secretary of War been promulgated here, if promulgated at all?

Answer. It has never been officially promulgated. We know of it here only through the public prints.

Question. I see by looking at that order that it is directed that the construction of the field-works at St. Louis and Jefferson City should be discontinued, as also the work upon the barracks which are being constructed near General Frémont's headquarters. Has the order in that respect been complied with?

Answer. The work at the barracks is still continued, and everything goes on as if no order had been issued.

Question. Do I understand you to say that this order is inoperative unless promulgated by the major general commanding the department?

Answer. Yes, sir; I so consider it.

Question. If the parties who are constructing these field-works and barracks had such notice of that order as would satisfy them of its genuine character, would they, after such notice, have any authority to go on with the works. Or are they only bound by an official notice duly promulgated by the commander-in-chief of the army?

Answer. This order of the Secretary of War would be binding according to my knowledge of the usages of war, unless the order of the commanding general to the contrary should be repeated. In that case, according to military rule, the last order is to be obeyed, and the responsibility falls upon the commanding general, or officer giving the order.

Question. If the commanding general of the department should never promulgate such an order when he gets it from the Secretary of War, how is that order to be carried out?

Answer. It is inoperative unless promulgated by the commanding general.

Question. Do I understand you, then, to say that the Secretary of War cannot command these things to be done excepting through the commanding general here?

Answer. No, sir; there is this distinction: the Secretary of War can order me, for instance, not to turn over any money on account of fortifications. That order I will obey unless I receive a counter order from General Frémont. I would be justified then in disobeying the order of the Secretary of War and obeying the order of General Frémont. I do not say that I would or would not do so, but that I would be justified in doing so.

Question. Upon what principle?

Answer. Upon the principle of obeying the last order you receive.

Question. So that the only way by which the War Department could prevent the exercise of arbitrary power in the payment of claims, or in the transfer of money, would be by withholding the money or removing the commanding general?

Answer. There is no other remedy.

Question. Is not the refusal or declination of the major general commanding a department to carry out an order of the Secretary of War, setting up an authority upon his part over and above the government?

Answer. Yes, sir; setting up an authority unknown to the law.

Question. Would the giving of a peremptory order upon a quartermaster to pay over a specific fund into the hands of the commanding general, in defiance of a counter order from the Secretary of War, be setting the authority of the government at defiance?

Answer. Yes, sir.

Question. What reason is there, if you know of any, why this order has not been promulgated by Major General Frémont?

Answer. I know of no other reason than that he did not intend to obey it.

Question. He was not in the city at the time, but he was within reach, was he not?

Answer. I know the order of the Secretary of War was received by him.

Question. What are your means of knowledge of that fact?

Answer. I know that the order of the Secretary of War was received at a certain date—which I do not recollect now—from information derived from Captain McKeever, the assistant adjutant general. He forwarded it himself by special messenger, and knew at what time that special messenger arrived, and I know that the order given to me in relation to the payment of money on the forts was made on a subsequent day—certainly one or two days afterwards.

Question. Can you fix the date when Captain McKeever sent the order?

Answer. I see the order is dated October 14, and it must have got to General Frémont two days after that.

Question. If the major general commanding the department had determined to obey this order, do you know of any difficulty in the way of promulgating it?

Answer. None whatever.

Question. As the matter now stands, there are two conflicting authorities, are there not?

Answer. Yes, sir.

Question. In what respect are they conflicting?

Answer. The order of the Secretary of War directed that no money should be paid except for current expenses. It also directed all work to be stopped upon the fortifications and barracks, and that there should be no money turned over to contractors on account of work upon the fortifications. In the first two cases the order has been disregarded, as the work is still going on upon the barracks, and as I have received orders from General Frémont, through his adjutant general, to turn over this money to Mr. Beard, subsequent to the receipt by General Frémont of the order of the Secretary of War.

Question. Then, do I understand you to say that after General Frémont had full knowledge of this order of the Secretary of War, he has given you a peremptory order in direct contravention to it?

Answer. Yes, sir.

Question. Look at the paper I now hand you, and state whether it is a true copy of the original report of a board of survey held at Camp Sullivan, Warsaw, October 21, 1861.

Answer. It is.

The following is the report:

CAMP SULLIVAN,
Warsaw, October 21, 1861.

The undersigned, having been summoned as a board of survey to examine and inspect the condition of the horses forwarded to this regiment from St. Louis, and report the result to your headquarters, would respectfully report that we have examined said horses, and find seventy-six fit for service, five dead, and three hundred and thirty undersized, under and over aged, stifled, ringboned, blind, spavined, and *incurably* unfit for any public service. Said horses are said to be the residue of the Missouri contract.

Very respectfully,

DAVID McKEE, *Major.*
GEORGE ROCKWELL, *Captain.*
JOHN SCHEE, *Lieutenant.*

Colonel WILLIAM BISHOP.

A true copy.

ROBT. ALLEN, *Major and Quartermaster.*

Question. Will you furnish the committee with certified copies of the orders you have received in reference to E. L. Beard, and particularly that directing you to turn over to him \$60,000 from the funds of your department, and also your communication, in reference to that order, to the Secretary of War?

Answer. I will.

The witness subsequently presented to the committee the following certified papers:

HEADQUARTERS WESTERN DEPARTMENT,
Warsaw, Missouri, October 19, 1861.

MAJOR: The general has this day forwarded requisitions for field-trains for Generals Seigel, Asboth, and Pope; also, requisitions for the needed outfit for the quartermaster at Tipton and this post.

These supplies are needed here at this moment to enable the army to move against the enemy; and, to insure their coming here at once, the general directs that you intrust their forwarding if on hand, and their purchase if not on hand, to the superintendence of Mr. E. L. Beard.

Respectfully,

J. H. EATON,
Acting Assistant Adjutant General.

Major ROBERT ALLEN,
Quartermaster, St. Louis.

A true copy.

ROBERT ALLEN,
Major and Quartermaster.

HEADQUARTERS WESTERN DEPARTMENT,
Warsaw, Missouri, October 19, 1861.

MAJOR: General Frémont directs me to say that he wishes you to turn over to *E. L. Beard*, esq., such articles for this army—wagons, mules, harness, &c.—as requisitions have been made for; other articles, also, which may be ordered and are procured by Mr. Beard, the general desires you to aid him in shipping and bringing forward to this place.

The general desires me to ask you to inquire if there may not be in St. Louis lighter wagons of good workmanship, and if so, to buy them as part of the supply. Mr. Beard can suggest to you the general's special views on this point.

He directs, also, that you turn over to Mr. Beard, out of first funds received from Washington, the sum of sixty thousand dollars (\$60,000) for work done on the forts of St. Louis.

Lieutenant Kappner, engineer, is ordered here; it is the order of the general that you fill his requisitions for tools for the construction of bridges, &c.

The mortar boats are to be supplied with such quartermaster's stores, &c., as are required by your orders.

Respectfully,

J. H. EATON,
Acting Assistant Adjutant General.

A true copy.

ROBERT ALLEN,
Major and Quartermaster.

St. LOUIS, *October 22, 1861.*

GENERAL: The enclosed copies of orders received by me are of so much importance that I deem it proper to despatch a special messenger with them to insure their speedy delivery to you.

General Frémont has never promulgated the order of the Secretary of War, and it is known here only through the public prints. You perceive that the order of the Secretary is inoperative, and virtually a nullity, the general proceeding as if it had never been issued.

According to my understanding of military usages, I am not permitted to disobey the order of the general under whose command I serve. Upon him devolves the responsibility of contravening the orders of a higher authority.

The requisitions now made upon me involve very heavy expenditures, many articles of which I regard as unnecessary. I enclose a copy of one of them. Thirty, and, in one instance, forty ambulances are required for a single brigade; and I have none on hand.

Your attention is particularly called to the fact that Mr. E. L. Beard is a person designated to purchase all the supplies called for by the requisition. This man has been the leader among the contractors hitherto, and, perhaps, is the most extravagant and grasping of them all.

I repeat, I am powerless to correct abuses, when the authority of the Hon. Secretary of War is set at defiance. The business of my office is sufficiently embarrassing without having to contend with conflicting orders, and I pray that some remedy may be devised. It will not escape your attention that I am ordered to turn over \$60,000 on account of fortifications, which is specifically and positively forbidden by the Secretary of War.

The cars are about starting, and I must close abruptly here.

The bearer of this, Mr. Arrington, is a gentleman of intelligence, and can give you much verbal information.

I am, very respectfully, your obedient servant,

ROBERT ALLEN,

Major and Quartermaster.

Hon. M. C. MEIGS,

Quartermaster General, Washington, D. C.

A true copy.

ROBERT ALLEN,

Major and Quartermaster.

St. LOUIS, *October 29, 1861.*

FREDERICK SCHULENBURGH, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. I am a lumber dealer and a manufacturer of lumber.

Question. What is the name of your firm?

Answer. Schulenburgh & Butler.

Question. Have you furnished any lumber to the government during the last three or four months?

Answer. Yes, sir.

Question. Was it sold directly to the government, or to some person who professed to act for the government?

Answer. It was furnished in part to persons professing to act for the government, and in part directly to the government through the quartermaster's department.

Question. The contract as to the latter being made directly with the quartermaster?

Answer. Yes, sir.

Question. As to the former who purchased for the government?

Answer. Colonel Brunstein, Colonel Andrews, Major Kappner, and Colonel Hassendeubel, principally.

Question. The lumber furnished to the last two persons mentioned was furnished in connexion with these forts?

Answer. Yes, sir; and some for Frémont's barracks.

Question. For what purpose was lumber furnished to Major Andrews?

Answer. For sheds, &c., at the marine hospital, where troops were lodged at the commencement of these difficulties.

Question. For what purpose was lumber furnished to Colonel Brunstein?

Answer. For the same purpose.

Question. With whom did you make the contract for the lumber furnished directly to the quartermaster's department?

Answer. A small part was furnished through Mr. Pease; and that went principally to the depot of the Pacific railroad. Most of the remainder of the lumber furnished directly to the quartermaster's department was for Camp Benton. A small portion was furnished for Camp Fiala, at the old race-course.

Question. What amount of lumber did you furnish to the government through Pease?

Answer. I cannot tell exactly.

Question. Can you tell the price at which it was furnished?

Answer. Not positively.

Question. Why?

Answer. My part of the business is mostly confined to attending to our lumber mills in Minnesota, and I returned only ten days ago. My partner is better informed as to matters here than I am.

Question. How was the lumber which was furnished to Pease used?

Answer. It was taken to the depot and from there forwarded where it was wanted.

Question. To what points?

Answer. I am not informed.

Question. Can you tell at what price it was furnished to Pease?

Answer. I cannot.

Question. Were you paid by him or by the government?

Answer. We have received some small payments through him.

Question. Were your accounts made out against him, or against the government.

Answer. I cannot say.

Question. What has been about the price of such lumber as has generally been furnished?

Answer. \$15 a thousand feet. Some have been furnished at \$12 50. The price has varied from \$12 50 to \$22 a thousand, depending upon the quality.

Question. Has this lumber been furnished at the ordinary price at which you would furnish it to individuals?

Answer. Yes, sir, and some of it lower. I think, on the average, we sold it at \$1 50 a thousand lower than we sold it to individuals at wholesale?

Question. Have you ever paid a bonus to any person for purchasing the lumber from you?

Answer. Never, to my knowledge.

Question. You delivered the lumber in the ordinary way, and at least as low as ordinary prices?

Answer. Always.

ST. LOUIS, *October 29, 1861.*

JOSEPH LABARGE, being duly sworn, was examined as follows:

Question. Where do you reside?

Answer. In St. Louis.

Question. What is your business?

Answer. Steamboating. I have run upon the Missouri river for the last 28 years.

Question. What steamboat have you been connected with during the last few months, and in what capacity?

Answer. I have been commander of the steamboat Emily.

Question. Has that boat been in the employ of the government?

Answer. Yes, sir.

Question. For what length of time and upon what terms?

Answer. She was in the government service for 25 days, at the rate of \$200 per day.

Question. You finding everything?

Answer. Yes, sir.

Question. Through whom was the contract made with you?

Answer. I made no contract.

Question. How was she chartered?

Answer. Through an order sent me one morning by Captain Abel, a steamboat man here, to get my boat ready for a crew, &c., as soon as possible, for the government service. I asked for a contract, and was told that there was no time to make contracts. I inquired if they would furnish the crew, as I did not feel able to disburse money for that purpose and wait for my pay. They said I must furnish the boat

with the crew and everything, and keep her ready for the service. She was kept 25 days, and I furnished everything during that time, and at the expiration of that time she was returned to me.

Question. Has the government paid you?

Answer. No, sir.

Question. Were you, before you received that note or order from Captain Abel, approached by any other person in reference to chartering your boat?

Answer. The first intimation I had of the matter was an order from Captain Abel to have the boat ready for service in four hours.

Question. During the 25 days you have mentioned was the boat constantly employed, or was she necessarily unemployed a portion of the time?

Answer. She was constantly employed.

Question. In what kind of service?

Answer. The transportation of troops and stores.

Question. Between what points?

Answer. Exclusively between St. Louis and Jefferson City, with the exception of being once sent to Lexington city for the wounded.

Question. When did your engagement with the government cease?

Answer. October 15.

Question. Did your boat freight any hay from here to Jefferson City?

Answer. We carried some.

Question. Do you know by whom that hay was furnished?

Answer. I do not.

Question. By whose order was it shipped?

Answer. I do not know. We carried only a few hundred bales.

Question. Did you carry any oats?

Answer. Yes, sir.

Question. And corn?

Answer. Yes, sir.

Answer. And commissary stores?

Answer. Yes, sir.

Question. Were the hay and oats shipped after General Frémont went west?

Answer. Yes, sir.

Question. Did you see the hay here?

Answer. Yes, sir.

Question. What was its quality?

Answer. The lot from which we took our hay was very poor.

Question. Do you know whether that hay was furnished by the quartermaster or by E. L. Beard?

Answer. I do not.

Question. What persons seemed to be superintending its shipment?

Answer. I cannot say. There was a delivery clerk there, named Shepherd, who was turning over hay and forage to us.

Question. How long after the delivery of that hay and oats at Jefferson City did you see it upon the beach?

Answer. We remained there only a short time.

Question. When was this?

Answer. Between the 1st and 15th of October.

Question. Did any officer of the government seem to give the forage any attention?

Answer. No, sir; I do not think they did. There was some forage there which other boats had carried before us.

Question. Was that hay exposed to the rain?

Answer. Yes, sir.

Question. And without any attention paid to it?

Answer. Yes, sir. Their storerooms were all filled, and they had no place to put property under shelter to preserve it.

Question. How soon after that forage was delivered there did you go back again?

Answer. We made about weekly trips, I should think.

Question. And the forage was lying there then?

Answer. Most of it.

Question. Did you ever have a conversation with any party who proposed that you should pay them a bonus or any consideration, directly or indirectly, in consideration of the chartering of your vessel to the government?

Answer. No, sir. My boat was one of the last chartered and one of the first turned out of the service.

Question. Do you know of any instances of that kind?

Answer. No, sir.

Question. Did you ever hear any rumors that such a thing had been proposed?

Answer. I have; but it was not proposed to me.

Question. Was your boat a valuable one for the government?

Answer. She is one of the best boats on the river. She is considered the best business boat upon the Missouri river.

Question. Where the captain of a boat furnishes the crew with rations, what would be a fair charge for them per day, taking into consideration the prices of provisions during the last two months?

Answer. I think they could be furnished for 30 cents per day for each person. I have an account against the commissary now for rations furnished, in which I charged them at 50 cents, and he has refused to allow me that. He thought that 40 cents was as much as I should get when they had money to pay. That was for the trip when I brought down the sick and wounded from Lexington.

Question. What number of sick and wounded did you bring down at that time?

Answer. About 100.

Question. You say you have been engaged in the steamboat business in this section of the Union for a number of years, and you have undoubtedly observed the manner in which the carrying business of the government has been conducted during the last two or three months. State how, in your judgment, any irregularities or improvidences in that service, which now exist, can be remedied either in the employment of vessels or in providing them.

Answer. I do not believe the government should charter any steam-

boats, because the moment they are chartered they lie idle and outside boats get the freight to carry. I have always opposed chartering boats by the government, and in favor of contracting to carry freight by the hundred pounds. I suggested that once or twice, but it had no effect.

Question. Are many of the vessels chartered by the government lying idle?

Answer. One half of them are lying idle all the time. In my opinion, the government has chartered twice as many as there was any necessity for. Some 28 steamers were chartered at the time they took my boat. I know I could take ten of them and do all the work that has been done. A few of the boats had all the work to do. For the 25 days I was in the service I never stopped.

Question. Did you ever suggest to Major Allen that this state of things existed here?

Answer. No, sir; I never had any acquaintance with him, though I have seen him once or twice.

ST. LOUIS, *October 29, 1861.*

J. P. WHEELER, being duly sworn, was examined as follows :

Question. Where do you reside ?

Answer. In St. Louis.

Question. What is your business ?

Answer. I have been chiefly engaged in the west in building railroads.

Question. Have you had any contracts with the government ?

Answer. Yes, sir.

Question. How many ?

Answer. Several.

Question. What was the nature of those contracts ?

Answer. The first contract I obtained an interest in about the 6th or 7th of July.

Question. To whom was that contract awarded ?

Answer. To Asa S. Jones and J. H. Bowen.

Question. How did you obtain an interest in it ?

Answer. I purchased out Bowen.

Question. Who was interested in that purchase ?

Answer. The purchase was made in my name, though it was for the benefit of Jones and myself.

Question. What interest had Almon Thomson in it ?

Answer. He afterwards had an interest in it, and we each had a one-third interest.

Question. What other contract had you an interest in ?

Answer. I had a small interest in a small contract to furnish 2,500 pairs of sewed army shoes.

Question. Who was interested with you ?

Answer. Charles McKinney and Moore, of Boston. The contract was in the name of A. McKinney.

Question. To whom did you sell the shoes?

Answer. To McKinstry, the then quartermaster.

Question. What did you get for them?

Answer. There was no price fixed. The order was made out to A. McKinney to furnish 2,500 pairs of army sewed shoes at the New York contract prices, with freight and transportation added; and though most of the shoes have been delivered, no vouchers have been given, and no price fixed.

Question. Have you had any horse contracts except that one with Bowen?

Answer. No, sir; except that we furnished a few horses after that.

Question. Did you have any proposition made to you by any person or persons in relation to purchasing a large number of horses?

Answer. I do not know that I have, though it is my impression that Selover did once speak to me upon the subject of putting in some myself, or putting in some through him. I think that was the tenor of the conversation.

Question. Did he want half the profits for getting the contract?

Answer. I do not think he made any definite proposition. He said he thought he could get it through. He merely said, in a careless way, that he would like to have me put in some horses for him, as he thought he could get them taken.

Question. What did he mean by saying he could get it through.

Answer. I understood by that either that he knew the precise requirements of the quartermaster in reference to those things, or else that he was intimately acquainted with him, and had such an influence over him that he could receive a contract when I could not. I did not pay much attention to what he said, because I had never had anything to do with him.

Question. Is he the only man that has approached you in that way?

Answer. I think he is.

Question. Has any man approached you upon such a subject since Major Allen has been quartermaster here?

Answer. Yes, sir. It was in relation to 2,000 mules. I had made advances upon a great many mules, and wanted to sell them to the government, and I got Captain Davis, quartermaster at General Frémont's headquarters, to telegraph up to Frémont to see if he wanted any; and if he did, to see whether he would authorize Major Allen to buy them of me. Frémont sent down word that he was greatly in need of them, and that he would be glad to have Quartermaster Allen buy them of me. I had control of 2,000 head, and could furnish them very readily. I did not see Major Allen, as I was quite unwell, and I never saw him to speak upon the subject until last Saturday.

Question. Who did you see then?

Answer. I saw a Mr. Burton, a friend, I think, of Major Allen. He claimed to be negotiating for a Mr. Baker.

Question. What did he say?

Answer. He said he could make an arrangement through Baker by having five dollars paid upon each mule furnished.

Question. Did you see Allen?

Answer. No, sir; I did not see Allen personally.

Question. What did you understand the arrangement Burton was to make through Baker?

Answer. He said that Baker was the superintendent of the stock department generally, or that he had a sort of supervision over that department. I was told the same thing by Captain Bradshaw, the assistant quartermaster here. Burton said if I would come to his office I could see Baker. But I was not able to go then, and I never saw him.

Question. Then I understand that Burton suggested to you that if you would give five dollars a head on the mules he could make an arrangement through Baker, who was superintendent of the stock here, so that all your mules could be received?

Answer. Yes, sir.

Question. Who is this Burton?

Answer. I do not know. I understand he is from Philadelphia. I never saw him but a short time ago.

Question. Did you ever see Baker and have any conversation with him?

Answer. I never spoke to Baker upon the subject at all.

Question. What relation exists between Burton and Baker?

Answer. They are very intimate friends, as I am told.

Question. Did you ever see them together?

Answer. I cannot swear that I have. I think the principal reason that Burton came to me was that he knew that I was unwell, and knew that I was expecting to sell those mules to the government, and he suggested that probably he could help me.

Question. That he would help you if you would help him to five dollars a head?

Answer. He said so far as he was concerned he did not care whether he had anything or not. As he was a friend of Captain Davis, and Captain Davis had asked him to assist me if he could, he was for making the best arrangement he could for disposing of those mules.

Question. Then why did he want the five dollars?

Answer. That I understood was to go to Baker.

Question. For what purpose?

Answer. For his services in working it through.

Question. Then if the money had been paid according to the proposition, it would have been giving \$10,000 for the sake of selling the influence of a man in an official position, would it not?

Answer. That would be the natural inference. I cannot swear what the motive was. I remarked to Burton that if he would take hold and help me about having the mules inspected and branded and turned in to the government, I would be willing to give him an interest in the matter; but that I did not consider it fair to give Baker two dollars or five dollars a head, or anything else, for doing nothing. I would regard it as legitimate, and I could afford to give him or any one an interest who would take hold and help deliver the mules.

Question. Did Burton pretend to be speaking by the authority of Baker?

Answer. I so understood it.

Question. Did you decline that proposition?

Answer. I declined it in the way I have told you. I told Burton that if he would take hold and help, I would be willing to give him two or three dollars a head, but that I was not willing to give Baker anything whatever.

Question. Was Burton engaged in the quartermaster's department under Davis?

Answer. I do not know that he ever had any position. He attended upon Captain Davis when he was sick, and I understood he was a former partner of Davis while in Philadelphia.

Question. Is Burton in this city now?

Answer. I do not know. He went to Cincinnati.

Question. Was he in any way in the employ of Captain Davis, of the quartermaster's department?

Answer. I understood that he was a friend of Davis, and was attending and taking care of him while he was sick; that he received the captain's visitors and delivered their messages. I never saw him doing anything more.

Question. Have you seen him since?

Answer. I have not been up there since. Captain Davis started for the east soon after he began to recover.

Question. Did you understand this as an offer to sell the influence of Mr. Baker, who was in the quartermaster's department, to help you to dispose of those mules; or did you understand that Burton was merely speculating upon the friendship between Baker and himself, in order to benefit himself without regard to Baker?

Answer. From what Burton said, I could only understand, if I could believe what he said, that he did not care about his own interest, but that he only wanted to assist me to get rid of my mules because he had been asked to do so by Captain Davis.

Question. Would it be subserving your interest to induce you to pay five dollars a head for getting your mules through?

Answer. Not at all. It would be taking five dollars a head out of me without consideration.

Question. Then did you suppose that he was acting for your interest alone when he suggested that you should pay five dollars on each mule?

Answer. I supposed that, like most men under such circumstances, he expected, if he did anything in the matter, to be paid for his services. I did not expect that he would do anything without consideration, but he seemed to carry the idea that this five dollars, or the greater part of it, was going to Baker.

Question. What did you understand from him that Baker was to do?

Answer. I understood that Baker had great influence over the quartermaster, from what Burton said. He did not say positively that a contract could be had, but he said that Baker told him that he was sure he could carry it through.

Question. What reason did he say Baker gave for his confidence that he could carry it through?

Answer. He did not say.

Question. Was anything said about Major Allen being sick?

Answer. I think during the conversation that it was said that Baker was attending to Major Allen, who was very sick, and that Baker seemed to have charge of matters to a considerable extent.

Question. If you had a lot of mules, was there any reason why you should pay five dollars apiece for selling them to the government?

Answer. I did not think there was.

Question. Did you make an offer of those mules to Major Allen?

Answer. No, sir; for I was too unwell to go to see him.

Question. What has become of the mules?

Answer. I have sold some and some I still hold. I am holding now nearly 1,000, which I have not been able to dispose of. I never saw Major Allen personally upon the subject until last Saturday, when I told him that General Frémont had telegraphed that he was greatly in need of mules for transportation; that I had them and I would be glad if he would buy them of me, if he could get them from me as cheap as from anybody else. He said he wanted the mules then very much, and would have been glad to have seen me very much at that time.

Question. Did you ever have any difficulty in getting any mules you sold inspected?

Answer. Yes, sir; under McKinstry.

Question. What was the reason?

Answer. He kept promising that he would take them, but he put it off and put it off, and I never got an inspector, and then I had to sell to some third party.

Question. To whom did you sell?

Answer. To different parties. I sold one lot to Schuler & Coffee. They had a sub-contract from some contractor who was putting in two or three hundred every day.

Question. Did those men who had contracts seem to have any difficulty in getting their mules inspected?

Answer. I should say not, from appearances.

Question. Did you ever have any mules inspected yourself?

Answer. Yes, sir; under the first contract I had.

Question. Who inspected them?

Answer. Most of them by Major McKinstry himself, and strange to say, he would not receive a mule that had been worked, and out of a lot of 180 or 190 he rejected 130 for that reason, and they were the best lot of mules ever shown in this market.

Question. What was done with the 130 mules he rejected?

Answer. They were afterwards turned in to the government.

Question. What was the effect of his rejecting them?

Answer. I had to sell them at a lower figure. One day McKinstry appointed Colonel Andrews, of the pay department, Major Brown, and a wagon master, by the name of Blakley to inspect horses and mules under the contract we had. Colonel Andrews and Major Brown inspected together several days; and afterwards Brown and

Blakley inspected all the horses. McKinstry undertook to inspect all the mules himself. One day he was away, and he ordered Blakley to inspect them, and he inspected a good many of the very mules that McKinstry had rejected, saying they were the best mules he had seen for the government use. The remainder of them were sold to other contractors, who afterwards put them in to the government at the regular price.

Question. Did you ever pay anything to any inspector to get mules through?

Answer. Never.

Question. Were you ever called upon to subscribe to a service of silver plate?

Answer. Yes, sir.

Question. Did you subscribe?

Answer. Yes, sir.

Question. How much?

Answer. They wanted me to put down for Thomson, Jones, and myself. I put down \$250 for Jones and myself, but did not put down anything for Thomson. I saw Jones about it afterwards, and he did not like it. I told him I understood it was for Mrs. McKinstry; that the paper was handed to me, and without thinking much about it, put down our names. I afterwards paid \$125, and told them to go to Jones and get his part.

Question. What was the consideration for which you paid that amount?

Answer. I do not know that there was any consideration ever received.

Question. What consideration induced you to pay it?

Answer. I cannot say that there was any particular consideration. I thought this: we had had contracts from McKinstry, and although we had not been treated like others, still I thought if it was to be a general thing, and others subscribed, I would not be stingy about it.

Question. This subscription was made up by contractors, was it not?

Answer. All the names that were on it at the time I subscribed were contractors, I think, except one.

Question. Who was that?

Answer. I think it was Schovell, who, I think, had had no contract. I know he went away from here very much disgusted, and from that I judge that he had not been successful.

Question. Then Schovell considered the amount he subscribed a dead loss?

Answer. I should think so, for he went off in very bad humor.

Question. Thomson, Jones, and yourself were contractors?

Answer. Yes, sir.

Question. Was Thomson invited to subscribe?

Answer. Yes, sir; and I thought he was going to make it, but he did not.

Question. Who presented the paper to Thomson?

Answer. I think it was Fox or Selover, or both.

Question. Do you know what took place when it was presented?

Answer. Selover came to me subsequently, and wanted to get more money out of me, saying he was out a large amount. I told him I never heard that the set had been presented. He said he had presented it, and had told Mrs. McKinsty the names of all the donors. The only knowledge I have that it was presented is Selover's word. He said he had asked Thomson for his \$125, or \$150, but that Thomson said he had no money, and would not pay anything. I saw Thomson afterwards, and he said he had declined paying.

Question. Had you any interest in the contract for roofing Benton barracks?

Answer. I did not know that I had until it was all completed. Thomson came to me one day and said he considered me interested in the contract, but I have not as yet received anything out of it.

Question. To what extent were you interested?

Answer. He did not say, but I suppose equally with him. He did not go into details, but merely spoke of it incidentally.

Question. Do you know how that contract was obtained?

Answer. I was in the quartermaster's office when the contract was made.

Question. Was it made upon bids?

Answer. It was. It was not awarded to Thomson first, but to some party or firm in Pittsburg, I believe. I heard that he was not a responsible party, and had no means.

Question. From whom did you hear that?

Answer. I heard it from parties in this city.

Question. Did he fail to give the security required?

Answer. Yes, sir. McKinsty demanded one good name in this city, and he was not able to give it. I think Ogden, the architect, was very much prejudiced in favor of that man. Why I thought so was that there was a roofer in this city, a secessionist, by the name of Clapp, and he seemed to be very much interested in this man from Pittsburg. Clapp told me one day that he had got the matter all arranged with Ogden, and that the contract would be given to a man from Pittsburg.

Question. Was it because he failed to give satisfactory security that the contract was not finally given to him?

Answer. I believe so.

Question. Did Thomson give security?

Answer. He told me he did.

Question. Did Thomson put in a bid for himself?

Answer. I think Thomson and that man were the only bidders.

House documents

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